



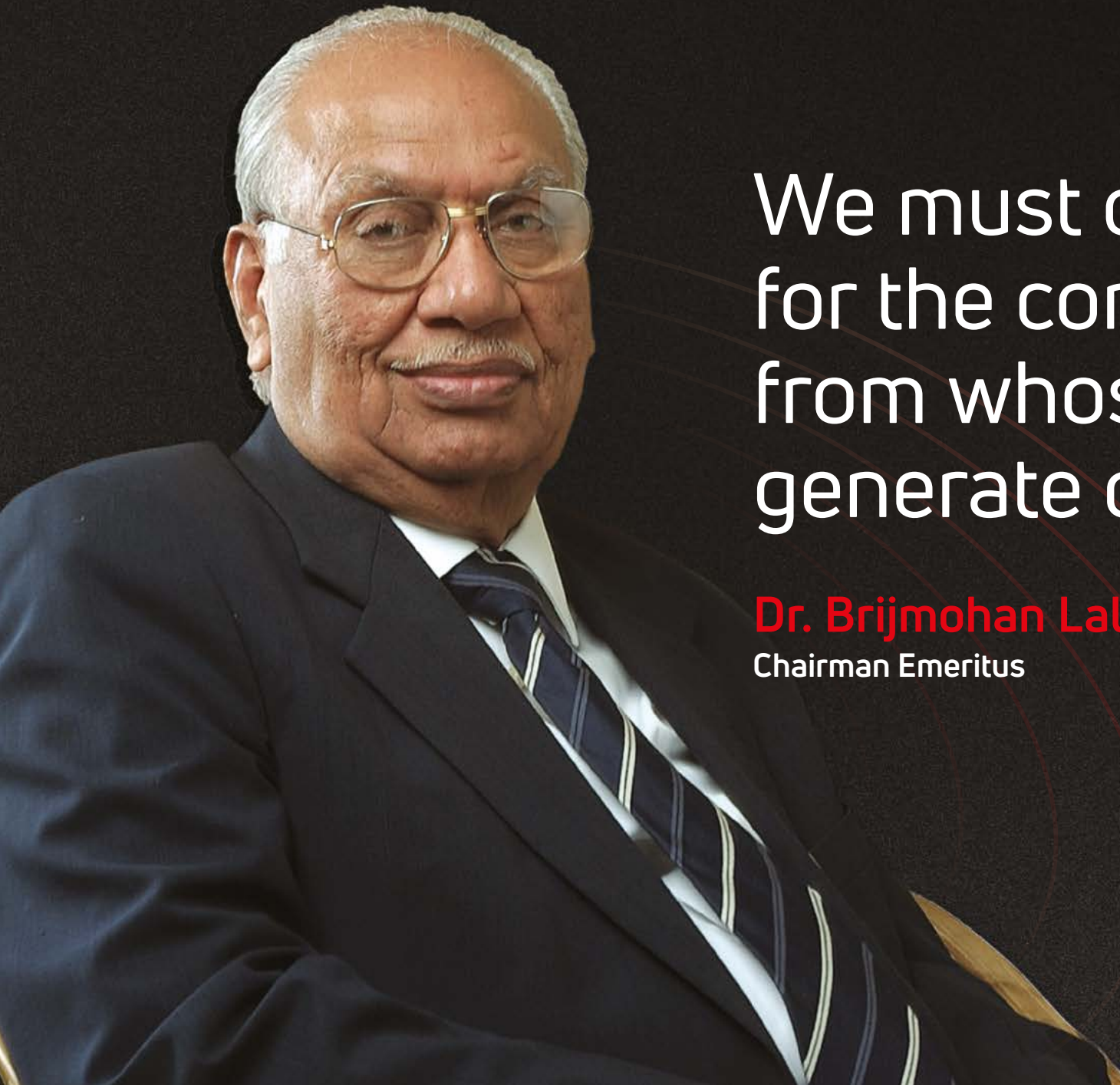
We care
For a better tomorrow



GRI Standards

Hero MotoCorp Limited

Annual Sustainability Report **2021-22**



We must do something
for the community
from whose land we
generate our wealth.

Dr. Brijmohan Lall Munjal

Chairman Emeritus

Chairman's message

Dear Stakeholders,

The necessity for collaboration and transformation has never been more relevant than in the current times. Just embracing change will not suffice; we must take bold actions today to live and work in a more sustainable manner tomorrow.

The unprecedented events of the past two years put to test the economic, environmental, healthcare and social systems across the world. The global economy has been hit hard by shutdowns resulting in significant and lasting disruptions - affecting businesses, investors, and consumers alike. Specifically, the COVID-19 pandemic has accelerated the appreciation of the necessity for a more deliberate and sustainable approach overall; whether it is for business, life or investments.

Dealing with climate change is one of the greatest challenges faced by the world today. It is here that our transformation journey intersects with our sustainability journey. Therefore, the biggest impact we can make is by working with our stakeholders to develop sustainable innovations that would address the world's climate related challenges at large.

Sustainability and consciousness towards the environment has been fundamental to

Hero MotoCorp and our growth story. It is not just an endeavor to keep our planet green and clean, it is no less than a mission for the entire Company; and for me personally.

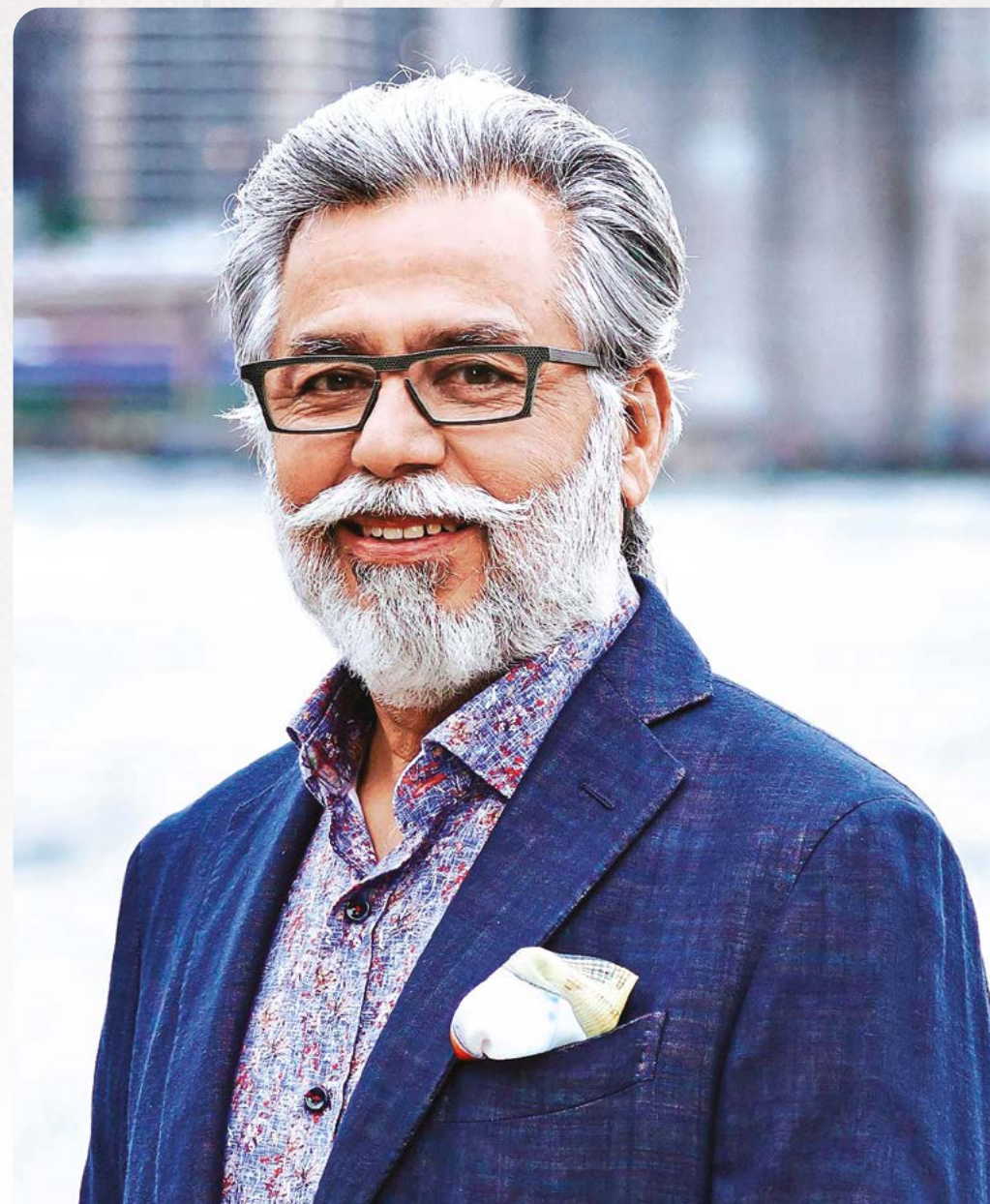
For us, the financial year 2021-22 (FY'22) was marked not only by its challenges due to COVID-19; it was also a true testimony of the grit, determination and agility of every member of the Hero ecosystem who came together to fight it.

While our priority and focus remained on health and safety of the entire ecosystem, we directed concentrated efforts towards environment protection, business continuity and fostering social inclusivity. On this accord, we led from the front to offer smart mobility solutions, spur technological innovations to enable the transition to a low-carbon economy, and to create shared benefits for stakeholders. Indeed, Sustainability is at the heart of everything we do.

At Hero MotoCorp, Sustainability is not just about targets, but a way of life: from extensive stakeholder engagement, benchmarking exercises, review of emerging climate scenarios, to achieving our sustainability vision and mission. That said, we have set focus across the areas of Value Chain Zero Emission Approach, Positive Ecosystem, Circular Economy and Business Transformation.

We have progressed steadily on our sustainability aspirations and have come a long way to achieve our targets in FY'22:

- › Achieved 75% waste neutral facilities through recycling and co-processing initiatives (target 100% by 2025)



Chairman's Message Contd.

- › Carbon neutral operations stands at 33% (target 100% by 2030)
- › Achieved 399% water positive facilities (target 500% by 2025)
- › Reduced total energy consumption by 17%
- › Improved solar footprint by 10%, generation of 10 Million units of Green energy annually
- › In the Dow Jones Sustainability Index, we retained our position in the Emerging Markets Index in FY'20 & FY'21 consecutively – the only Motorcycle & Scooter Company in the world to do so.
- › Along with its 500th patent application, the R&D team at the Centre of Innovation & Technology located in Jaipur, India became the first R&D unit in India to receive the "Confederation of Indian Industry (CII) GreenCo Platinum" rating in its category.

Our path to a sustainable future is an ongoing process. In keeping with our vision - Be the Future of Mobility - we are forging ahead with a clear focus on sustainable mobility, and strong collaboration.

Hero MotoCorp is at the cusp of entering the promising green mobility space as we take strides to transform our leadership in the internal combustion market into the electric vehicle space.

To lead the migration to this new future of mobility, I unveiled **Vida – Powered by Hero** - a brand new identity for our emerging mobility solutions.

I also announced a \$100Mn Global Sustainability Fund which will aim to establish global partnerships with the objective of nurturing more than 10,000 entrepreneurs on ESG (Environmental, Social, and Governance) solutions that will have a positive impact on our planet and its people.

These initiatives are aimed at accelerating our electric journey and to quickly bring sustainable mobility solutions that deliver value to our shareholders, our stakeholders and our entire ecosystem.

Diversity & Inclusion (D&I) is another one of our key base foundation and guiding principles. We will ensure and strive to foster equal opportunity, women empowerment and growth for all.

We will continue to vigorously follow policies and initiatives that support women empowerment. With an overall diversity ratio of 9.3%, at the Board, the Company is represented by 30% female diversity. We signed the United Nations Women's Empowerment Principles, reiterating our commitment as a leader in the Indian automotive space for empowerment of women.

Our CSR efforts and initiatives continue to be tailored to the distinctive requirements of the diverse communities where we operate, maximizing the value and impact of every contribution.

We are cognizant that the race to resilience will be both challenging and exciting: we remain optimistic about the future.

With passion and collaboration, we believe we can build a better future together for all of us and the generations ahead.

Warmly,

Dr. Pawan Munjal
Chairman and CEO
Hero MotoCorp

399%

Water positive facilities

33%

Carbon Neutral operations

9.3%

Gender Diversity

75%

Zero Waste to Landfill Certified Facilities

Message from the sustainability steering committee



Vikram S. Kasbekar,
Executive Director



Mike Clarke,
Chief Operating Officer and
Chief Human Resources Officer



Reema Jain,
Chief Information and
Digital Officer

Dear Stakeholders,

Hero MotoCorp's Sustainability Steering Committee has always believed that there is a need for businesses to take action on balancing their economic and environmental imperatives by embracing technological innovations, respecting the dignity of stakeholders and directing resources towards resilience.

We started our formal sustainability journey five years ago. The recognition of Hero MotoCorp in the Dow Jones Sustainability Index (DJSI), with inclusion in the emerging markets index, and our status as a global leader in the Sustainalytics platform in the motorcycle and scooter category twice in a row, clearly demonstrate the efforts that the team has made on the ground. We are moving in the right direction in our sustainability journey to pave the way for an equitable and sustainable society.

With this goal in mind, this year, we formally commenced the transition from our highly commendable Green Partner Development Programme (GPDP) to a Sustainable Partner Development Programme (SPDP). The governance mechanism of the complete programme has been highly effective, thanks to the efforts of a committed core team and enthusiastic colleagues. During the year, the team has thoroughly devoted its focus and energies towards setting long-term sustainability aspirations, which will be discussed in this report. The team carried out comprehensive due diligence and thorough mapping of industry trends to support the formulation of the aspirations.

With accelerated focus, directional efforts and an overall vision leading towards becoming the future of mobility, our Company is strongly aligned with sustainability in all its activities.

Sustainability Scorecard | Global ESG Platforms



Member of
Emerging Market Index



Low ESG
Risk Company



Above average degree of
transparency in ESG



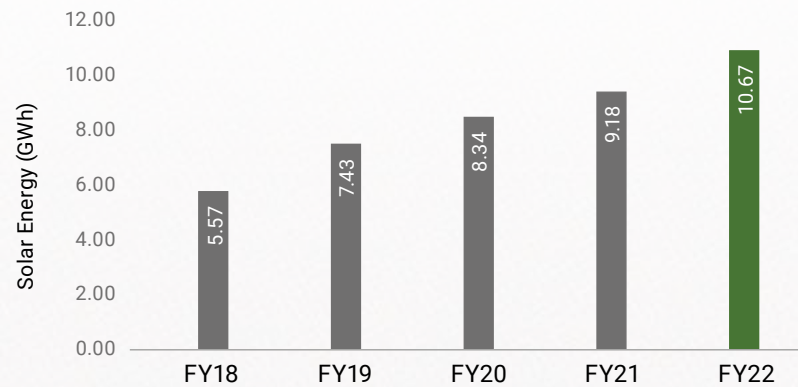
Member of
Emerging ESG Index



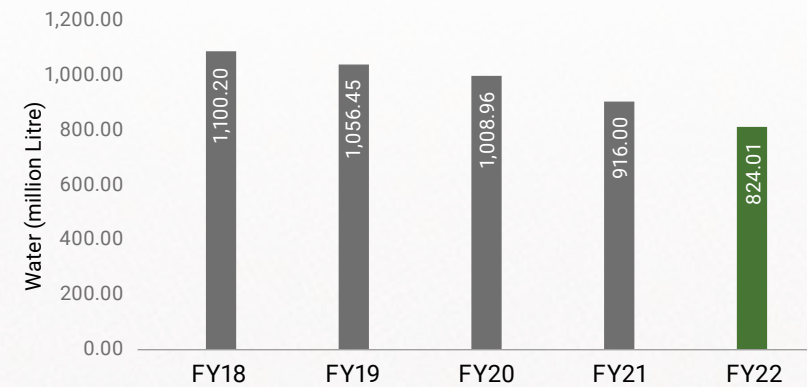
Good relative
ESG performance

Going the Extra Mile Responsibly

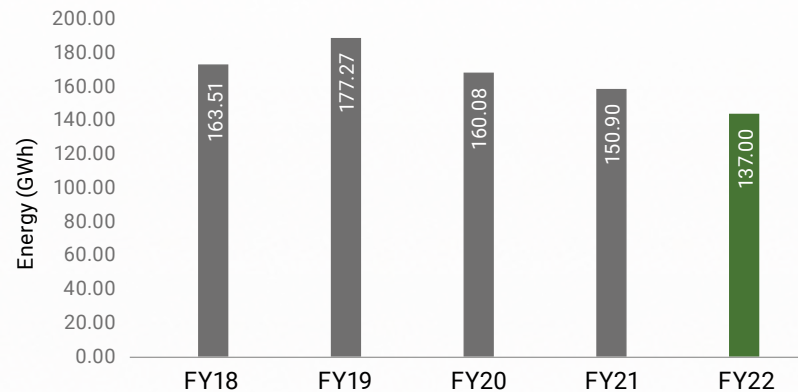
Solar Energy Generation and Use



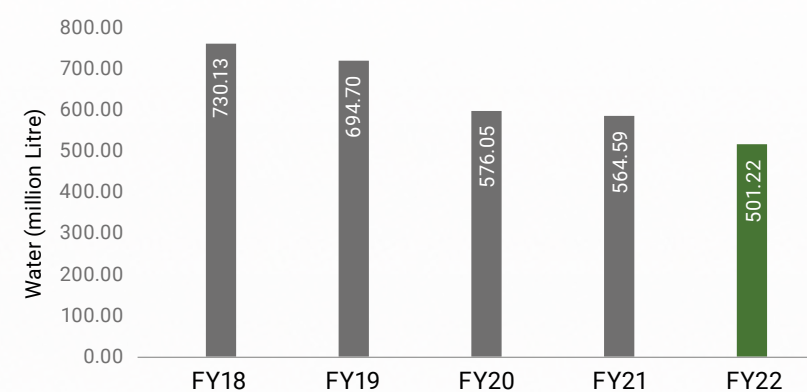
Total Water Consumption



Total Electrical Energy Consumption

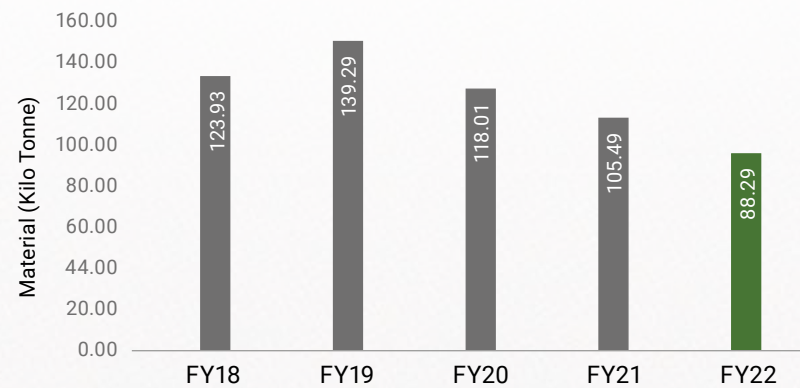


Total Water Recycled and Reused

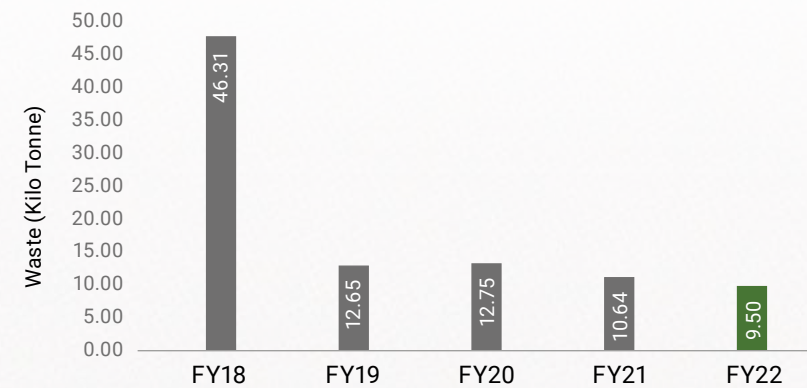


Going the Extra Mile Responsibly contd.

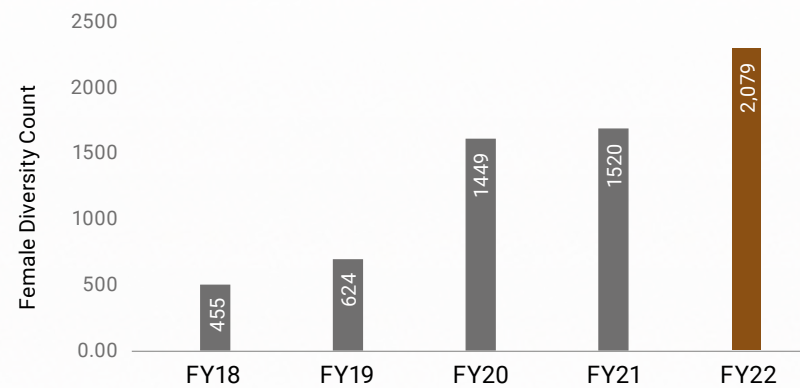
Recycled Material Used in manufacturing - Steel and Aluminium



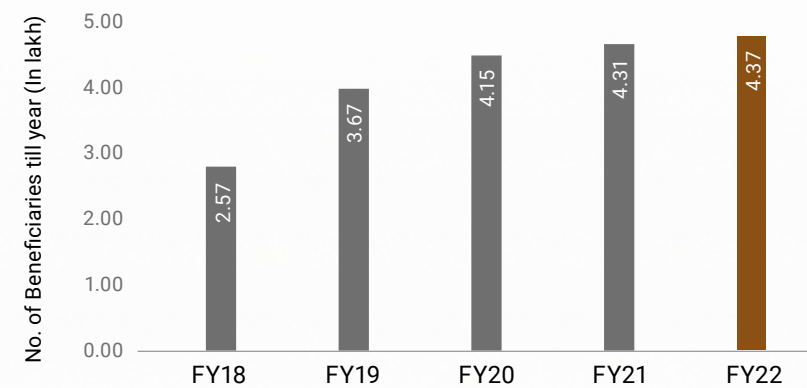
Total Waste - Hazardous and Non-hazardous



Female Diversity

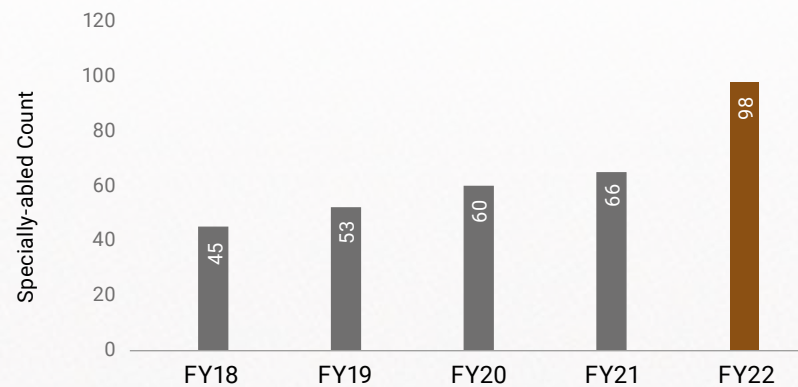


Beneficiaries of Project Shiksha

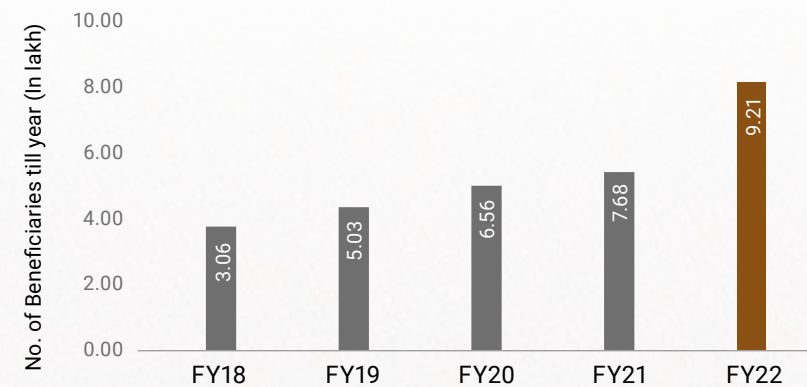


Going the Extra Mile Responsibly contd.

Specially-abled Workforce



Beneficiaries of Ride Safe Training



Our Values



21,000 employees were engaged to select the colors of "Our Values"

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About the report

Financial Year 2021–22

This is the fifth Sustainability Report published by Hero MotoCorp Limited. Being cognisant of its responsibility towards the environment and society, our Company has reported the same comprehensively through a Global Reporting Initiative (GRI) Standards-compliant Sustainability Report in accordance with the 'Core' option prescribed by the GRI.

The reporting period is concurrent with the financial year April 1, 2021, to March 31, 2022. This report can be found on our website:

<https://www.heromotocorp.com/en-in/investors/sustainability-report.html>

Report Profile

This report conforms to the GRI Standards, and the disclosures are in accordance with the 'Core' option prescribed by the GRI. The GRI's latest update on Universal Standards has been duly incorporated in the report at appropriate locations, and linkages have been established. The information in this report relates to FY 2021–22, i.e. the period from April 1, 2021, to March 31, 2022. The scope of the reporting boundary includes all six of Hero MotoCorp's Indian manufacturing plant sites – Dharuhera, Gurugram, Haridwar, Neemrana, Vadodara and Chittoor – as well as our Global Parts Centre (GPC) in Neemrana, the Centre for Innovation and Technology (CIT) in Jaipur, and our corporate office in Delhi.

The environment performance data disclosed in the report is pertinent to the manufacturing plant sites, the GPC and the CIT. The disclosure regarding people performance covers these areas as well as our corporate office and Indian manufacturing plants.

Data Compilation Methodology

The data published in our sustainability report is collected through various internal reporting systems specifically related to this report, most of which are different from those applicable to the financial information presented in our Financial Statements (as listed in the Financial Statements from the Annual Report for FY 2021–22). We utilise a range of systems and practices to ensure regular and reliable

tracking of a variety of data related to our sustainability performance. We have pointed out any significant limitations in the information presented in the report, where applicable. We reserve the right to change our internal guidelines regarding the inclusion of data in the Sustainability Report; however, any such changes will be clearly communicated in a timely fashion. The major indicators related to governance have also been covered in this report.

Assurance

Limited assurance on certain agreed/identified sustainability indicators in this report has been provided by Price Waterhouse Chartered Accountants LLP in accordance with the International Standard on Assurance Engagements ISAE

3000 (Revised) 'Assurance Engagements other than Audits or Reviews of historical Financial Information' issued by the International Auditing and Assurance Standards Board. The subject matter, criteria, procedures performed and limited assurance conclusion are presented in the assurance report attached at the end of this report.

Suggestions and Feedback

We welcome any comments and/or suggestions on the report's content and flow. Please send your comments to

✉ sustainability@heromotocorp.com





Hero MotoCorp – a global company with over 100 million customers

As the world's largest manufacturer of motorcycles & scooters, Hero MotoCorp is providing customers with an excellent range of mobility solutions that ensure both style and comfort, in addition to the designed objective of providing seamless commuter options.

The story of our Company can be traced back to the vision of an empowered India, powered by our mobility solutions – motorcycles and scooters. Hero MotoCorp is a public company domiciled and incorporated under the provisions of India's Companies Act, 1956, on January 19, 1984. The securities of Hero MotoCorp are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Hero MotoCorp's vision is to 'Be the Future of Mobility', and this overarching principle is reflected in all our endeavours.

Hero MotoCorp has eight state-of-the-art manufacturing facilities. Six of these are in India, one in Colombia and one in Bangladesh. We also have two world-class, state-of-the-art research and development (R&D) facilities – the CIT in India and Tech Centre Germany (TCG), near Munich. We are one of the largest corporate promoters

of multiple sports disciplines, including golf, football, field hockey, cricket and motorsports. Fifteen-time Major winner Tiger Woods is Hero's Global Corporate Partner.

As a business leader and a leading automobile company in India, our Company believes in 'Manufacturing Happiness' through our factories, where we strive to achieve complete harmony between man, machine and nature to minimise our impact on the environment and develop a healthy and sustainable ecosystem.

With innovation at our core and the overarching principle of sustainability as our guiding force, we have positioned ourselves at the forefront of designing and developing technologically advanced motorcycles and scooters that cater to customers' mobility needs worldwide. With over 100 million customers across the globe, we continue to champion socioeconomic progress and empowerment through our range of products and services.

Led by our Chairman & Chief Executive Officer, Dr. Pawan Munjal, the Company has rapidly emerged as a global brand, with a presence in over 40 countries across Asia, Africa and South and





Hero MotoCorp – a global company with over 100 million customers contd.

Central America and manufacturing facilities at multiple global locations. Dr. Munjal has steered the Company to its present scale and size and is one of India's renowned corporate leaders, championing growth, socioeconomic progress and technological innovations. With his leadership, Hero MotoCorp achieved the coveted title of the World's No. 1 two-wheeler company in 2001 and has successfully retained this position to date – for 21 consecutive years. The Company has also surpassed the rare milestone of 100 million cumulative units in production and sales. With Dr. Munjal consistently demonstrating visionary leadership and guidance, Hero MotoCorp has consolidated its leadership status and expanded its global footprint across multiple continents.

Hero MotoCorp is a dominant leader in India, with a significant share in the domestic motorcycle market. The state-of-the-art, world-class CIT at Jaipur in the northern Indian state of Rajasthan is the result of the vision to make Hero MotoCorp a globally benchmarked powerhouse of research, design and development.

The CIT has more than 1,300 engineers from India, UK, Germany, Italy, Austria, France and Japan engaged in developing a new range of motorcycles and scooters for markets worldwide. The Company is also actively engaged in developing an ecosystem for the development and growth of electric vehicles (EVs) in India, thereby enabling the industry to steer towards a sustainable way of life.

- › Home to over 1,000 automotive experts with global and regional expertise
- › CXO level officers with dedicated responsibility and accountability for various functions
- › An effective governance system benchmarked with global standards
- › Annual production capacity of ~ 9.5 million units
- › Over 9,000 customer touchpoints
- › Over 200 supply chain partners

“The future will have to be imagined today so that it can be delivered tomorrow. We are aggressively working towards multiple electric vehicle programmes and platforms and various other modular mobility solutions. Sustainability remains critical to our ethos, and we will continue to work in line with these principles.”

Dr. Pawan Munjal
Chairman & CEO, Hero MotoCorp





Hero MotoCorp – a global company with over 100 million customers contd.

Our DNA

A customer-centric approach and diversified product portfolio for customers globally		History of excellence, technological innovation and style transcending the automotive industry	
Accelerating transformation through digitalisation	Enhancing R&D capabilities to achieve technology leadership	Creating a resilient business ecosystem today for tomorrow	
Responsible investments to sustain financial health		Focused strategic collaborations	
Highest levels of competence and corporate governance	Benefitting the society at large through directed resources working exclusively on community enablement programmes		
Ensuring equity for all and enhancing safety practices across the enterprise for promoting well-being of all			





Hero MotoCorp – a global company with over 100 million customers contd.

Our People

Our talented workforce is our greatest resource. We understand that they can only pursue and achieve extraordinary brilliance in their professional endeavours by working together in collaboration with external partners. By fostering integrity, excellence and a purpose-driven approach, coupled with adequate mentorship through leadership and external experts, we provide each of our people the right opportunities to express their full potential – and, be a part of something greater and larger.





Hero MotoCorp – a global company with over 100 million customers contd.



Our Strategy

Our strategy for conducting business and pursuing growth is based on the fundamental aspiration to create long-term value responsibly. To accomplish this, Hero MotoCorp focuses on:

A governance model based on transparency and integrity

A safe and sustainable product portfolio

Competitive offerings and innovative mobility solutions

Effective communication with stakeholders

Constructive management with a high level of due diligence throughout our operations

Professional development of employees through skill-building exercises and competency reviews

Safe working conditions and respecting human dignity

Mutually beneficial relationships with partners and communities

Execution excellence in manufacturing and non-manufacturing processes with a sustainability lens

Strong advocacy for various factors leading towards business ecosystem resilience and a sustainable, liveable society.



Hero MotoCorp – a global company with over 100 million customers contd.

Our Excellence in Customer-centric Approaches

One of Hero MotoCorp's major priorities is fostering prosperity and leading innovation through best-in-class mobility solutions.

We continuously develop our products and update our services to enhance value for our customers and promote transformation into a progressive society. The key pillars that add to the value proposition range from innovative design to outstanding customer service.

We have a structured process in place that enable us to capture customers' voice and convert them into ideas for product design.



Design and Development: Hero Tech Centre Germany and CIT are hubs of excellence with the aim of producing revolutionary product platforms. We always think ahead while remaining mindful of our DNA, 'We Care'. We endeavour to become specialists in emerging mobility concepts with a utilitarian approach to mobility and massively add value to sustainable mobility using our talent pool across the globe. We look forward to being the future of mobility and uplifting Hero MotoCorp's capabilities as an innovator.



Diversification: Hero MotoCorp offers a wide variety of products that appeal to people from all age groups. We produce geared motorcycles and gearless/automatic transmission scooters, thus simplifying the riding experience. A customer can ride home on a vehicle of her choice of design and features.



Product for All: A variety of products and a huge catalogue enable Hero MotoCorp to provide quality vehicles at different price points. From the competitive cost of a Hero Pleasure to the premium Hero Xtreme, all are available in the market. Each customer can choose from the catalogue which suits their budget.



Quality: Quality has been a bedrock for Hero MotoCorp, since inception. With extended warranties, Hero MotoCorp gives the assurance of free services and quality checks to satisfy the customer's requirements, thus promising and delivering a world-class experience. Each unit is passed through a range of quality checks and inspection protocols by a team of qualified experts working with a best-in-class quality infrastructure before it is handed over to the customer.



Customer Service: Hero MotoCorp consistently provides excellent after-sales services. Hundreds of service centres are present throughout the country. If a customer needs their vehicle repaired, they can simply visit any service centre and get the problem rectified.



Hero MotoCorp – a global company with over 100 million customers contd.

Our Progress at Present – Rejuvenating the Current Growth Story

Hero MotoCorp's products contribute to efficient mobility solutions and provide our customers with enhanced flexibility in commuting. Robust vehicle sales build a huge pool of products that drive the spare parts sales and service business. In addition to products, our offering includes financing support, insurance assistance, extended warranties, GoodLife Programmes and other associated services targeted at enhancing 'customer delight'.

Extensive product portfolio

In line with our vision, we have launched six celebration edition models: four new motorcycles – the Splendor+, Glamour, Xtreme 160R and Passion Pro – and two new scooters – the Destini 125 and Maestro Edge 110.

With ambitions to enter a very aspirational segment in the premium motorcycle market, Hero MotoCorp is going full throttle in working with a new growth partner – Harley-Davidson.

We expect that this affiliation will help accelerate our presence in the premium motorcycle segment, where we aim to establish a complete portfolio across various segments and higher engine capacities.

Hero MotoCorp has also launched a special Retail Finance Carnival for the Company's customers. The nationwide event offers exciting retail schemes through our finance partners. It gives

customers across the country convenient access to financing and increasing their purchasing power with offers such as zero down payments, zero interest rates and zero processing fees.





Hero MotoCorp – a global company with over 100 million customers contd.

Centre for Innovation and Technology – First R&D Facility to Receive ‘GreenCo Platinum’

Hero MotoCorp’s CIT became the first R&D unit to receive the ‘GreenCo Platinum rating’ under the R&D category, and the only unit to receive a green rating under the CII – Rajasthan State Pollution Control Board (CII-RSPCB).

The rating itself is a symbolic reflection of our sustained efforts and unwavering commitment to environmental sustainability and the validation of our progress through external certifiable agencies. The GreenCo framework is a highly comprehensive outline that measures organisational performance on critical pillars (energy, water, waste, product stewardship and life cycle assessment studies, to name a few). Going forward, Hero MotoCorp is motivated to continue to gain accolades for its endeavours across the environmental, social and governance (ESG) spectrum.

Achievement of 500 Patents

Hero MotoCorp has witnessed another milestone in R&D, by successfully filing its 500th patent application.

The journey that started with the first patent a few years ago has now grown to a portfolio pipeline of 500 patent applications. The R&D team filed 100-plus patent applications per year over the last two years, and they have kept up the momentum for this reporting year.

Achieving this milestone in such a short time exhibits our team’s passion and ability to innovate and achieve intellectual brilliance in the endeavour to provide the best products and services to our customers, as well as to stay ahead of the technology curve in the ever-changing automotive landscape.



Centre of Innovation & Technology, Jaipur



Hero MotoCorp – a global company with over 100 million customers contd.

Scaling Global Heights

Hero MotoCorp has taken rapid strides to expand its global network, transforming itself into a truly worldwide enterprise with an international workforce. In keeping with the diverse demography of customers, the Company is developing market-specific products.

In 2016, Hero MotoCorp became the only Indian motorcycle and scooter company to set up a manufacturing base in Latin America when it started operations at its facility at Vila Rica in the Cauca province in Colombia. The Company's second international manufacturing facility is located in Bangladesh and began operations in 2017. With an extensive sales and service network spanning over 9,000 customer touchpoints across the world, the Company has presence in Asia, Africa, Middle East, South and Central America, and has further expanded its footprint to 43 countries.

Hero MotoCorp has a renewed Global Business Strategy of R4 – Revitalise, Recalibrate, Revive and Revolutionise.

With this strategy, the Company has significantly enhanced both the volume and scope of its global operations. In keeping with its aggressive expansion plans in its worldwide business, Hero MotoCorp has commenced retail sales in the important market of Mexico. The Company has

introduced portfolio of products in this market, including motorcycles and a scooter, thereby catering to diverse customers. The range includes popular motorcycles, such as the Xpulse 200, Xpulse 200T, Hunk 190, Hunk 160R, Hunk 150, Eco 150 TR, Eco 150 Cargo and Ignitor 125, and the Dash 125 scooter.

Further strengthening its presence in the United Arab Emirates (UAE), Hero MotoCorp has inaugurated a new exclusive dealership in Dubai. The Gulf region is a strategically important part of the Company's aggressive global expansion plans, aiming to bring world-class products and services to customers and excite the market. Hero MotoCorp also focuses on providing extensive after-sales support to customers and continuing expansion. The Company caters to its customers through a fast-growing network of touchpoints, including dealerships, service centres and spare parts outlets across countries in the region, including the UAE, Bahrain, Kuwait, Qatar and the Kingdom of Saudi Arabia. Hero MotoCorp's comprehensive product range in the region includes motorcycles from the entry to premium levels, including the Ignitor 125, Hunk 150, ECO 150 cargo and ECO 150. The Company also plans to launch its other globally successful products, including the Xpulse 200 and Hunk 160R motorcycles and a range of scooters, in the near future.

Hero MotoCorp has reinvigorated its strategy for the Nigerian market. Building on its aggressive plan to secure a robust market presence, the Company launched a new motorcycle, the 'Hunter', developed especially for this market. This new model also comes with an industry-first 12-month or 75,000 km Engine Warranty. The motorcycle's engine has been extensively tested for performance in Nigerian conditions. Hero MotoCorp also plans to establish outlets in towns across Nigeria and a pan-country presence through dealers and parts distributors. In addition, an extensive network of over 5,000 trained technicians across Nigeria will ensure easy access to services and parts for all customers.

Hero MotoCorp aims to grow its presence in global markets and cater to the continuous demand for high-quality products at affordable prices. The new strategy underscores the Company's commitment to accelerating growth internationally and providing customers with an appealing and comprehensive range of products globally.

The Company also aims to strengthen its focus on the premium motorcycles and scooters segment in Bangladesh, Nepal, Latin America and Africa. Positive economic signs, encouraging farming activity and an increased need for personal

mobility have restarted the momentum in the motorcycle and scooter industry. We expect positive sentiments in both the rural and semi-urban markets.

Commodity prices and other global headwinds that have impacted the industry in recent years show some signs of softening going forward. However, Hero MotoCorp keeps its growth strategies flexible enough to adapt to, accommodate and act on the turbulence to maintain stability and prosper. Through an accelerated savings programme, overheads management and reasonable price increases, the Company can sustain competitive margins consistently and expect further recovery moving forward.

With this outlook, Hero MotoCorp has been and will continue to be consistently engaged in ensuring customer delight globally through various initiatives, including free service camps, customer meet-and-greet sessions, training programmes for local technicians, encouraging collaborative workshops and providing excellent after-sales support.



Hero MotoCorp – a global company with over 100 million customers contd.

Riding into a better tomorrow

Hero MotoCorp's vision and commitments align perfectly with the common goal of accelerating the shift to smart, sustainable electric mobility solutions in India and around the world. With its new collaborations and focused, dedicated team, the Company is committed to introducing a sustainable mobility paradigm, first in India and then in other markets worldwide. This endeavour will further strengthen and expedite the nationwide electrification drive and will have a significant impact on the country's energy and mobility future.

We have rapidly scaled up to build a world class R&D ecosystem, including the state-of-the-art Centre of Innovation and Technology (CIT) in Jaipur, India and the Tech Centre Germany (TCG) near Munich. Global automotive experts and engineers from around the world are constantly engaged at the R&D centres, designing and developing mobility solutions of the future by adopting advanced technologies to stay ahead of the curve.

The teams at Hero MotoCorp are focused on working across the entire electric mobility ecosystem, comprising battery technologies and chemistry battery management systems, powertrain,

telematics, analytics, diagnostics and charging infrastructures.

Hero MotoCorp's Germany- and Jaipur-based R&D centres have been working to develop products based on fixed charging systems, whereas the Gogoro partnership is focusing on the swap-based system.

Aligned with its Vision to 'Be the Future of Mobility', Hero MotoCorp has announced a new investment of up to ₹ 420 crore in Ather Energy. The Board has approved the investment in one or more tranches. Prior to the proposed investment, Hero MotoCorp's shareholding in Ather Energy was 34.8% (on a fully diluted basis). Hero MotoCorp was an early investor in Ather Energy and has been a part of its growth story for a couple of years.

The Company is also exploring collaborations in various spheres, including charging infrastructure, technology and sourcing.

Innovation and emerging technologies are progressing faster than ever before. Being at the forefront is vital to ensure business continuity, and that is why Hero MotoCorp collaborates with other players who have

their own domains of excellence and expertise in execution.

The Company is comprehensively addressing the emerging mobility opportunities to ensure technology leadership at this key moment when the entire automotive industry is on the verge of a massive shift through organic and inorganic initiatives.

Hero MotoCorp aims to expand its brand promise confidently and strives to make EV ownership a convenient, hassle-free and rewarding experience for customers worldwide. Through its investments and partnerships with external partners like Ather Energy and Gogoro Inc., the Company is also working towards building an entire EV ecosystem – from products to technology, sales, service, customer care,





Hero MotoCorp – a global company with over 100 million customers contd.

operations and innovation. Sustainability and emerging mobility are priority areas, and Hero MotoCorp continues to enhance its efforts in these directions.

Hero MotoCorp has always been at the forefront of propelling the industry and leading it into the future. Now, with the automotive and mobility sectors poised to evolve, the Company is taking strategic steps to lead in this next stage of development. Through its endeavours towards both organic and inorganic business expansion, the Company is perfectly positioned to accelerate the growth of emerging mobility trends. Sustainability has been prioritised as a key pillar of growth within the Hero MotoCorp global ecosystem. Aligned with its Vision to 'Be the Future of Mobility' and its aim to drive the growth of EVs, Hero MotoCorp has become the first automotive company to join the leading Public Sector Undertaking (PSU) to set up charging infrastructures across the length and breadth of the country. The Company is aggressively advancing focused efforts to drive initiatives towards the technologies and solutions that will empower all individuals, societies and industries to contribute to the planet's aspirations for sustainability. In addition to developing world-class and tech-driven sustainable emerging mobility solutions, Hero MotoCorp is also making significant efforts

to build a robust EV ecosystem and offer the most advanced services to customers.

In line with this focus on smart and connected large-scale EV charging facilities, in a development that is set to electrify India, Hero MotoCorp has partnered with Bharat Petroleum Corporation Limited (BPCL), a 'Maharatna' and Fortune Global 500 Company, to set up charging infrastructures for motorcycles and scooters across the country.

Hero MotoCorp and BPCL aim to first establish a substantial charging infrastructure linked to the existing nationwide energy station network and subsequently broaden the collaboration to develop more synergies within the EV ecosystem and adjacent business verticals, thereby enabling prospects throughout the customer life cycle. In the first phase, charging stations will be set up across nine cities, starting with Delhi and Bengaluru. The network will then be expanded across the country to establish a high density of charging infrastructures and stations. Hero MotoCorp is currently focused on commencing the infrastructure development in the two initial cities. Each charging station will feature multiple charging ports, including direct current (DC) and alternating current (AC) chargers, and will be available to all electric-based motorcycles and scooters.

The entire user charging experience will be controlled by a Hero MotoCorp-developed mobile app and will operate on a cashless transaction model, thereby enabling and accelerating digital adoption.

Recently, Hero MotoCorp has also announced the EV initiative Vida, powered by Hero, as a new identity for Hero MotoCorp's emerging mobility solutions, including upcoming EVs.

In March 2022, we unveiled our emerging mobility solutions brand – Vida - Powered by Hero. All our initiatives for emerging mobility solutions will be introduced under this brand starting with an electric vehicle.

The production of the soon to be launched Vida model will be done at our 'Green' manufacturing facility in Chittoor, India, and will be sold in India and global markets.

Hero MotoCorp has also announced a US\$ 100 million Global Sustainability Fund. This fund will be directed and utilised towards establishing global partnerships, spearheaded by BML Munjal University (BMU) and Hero MotoCorp. It will go a long way towards offering impetus to over 10,000 entrepreneurs on developing ESG solutions that will, in turn, have a positive impact.

"Vida means life, and the brand's sole purpose is to create a positive impact on the world and move us all forward in meaningful ways. We believe the name is perfect for what we are building for our children and the next generation."

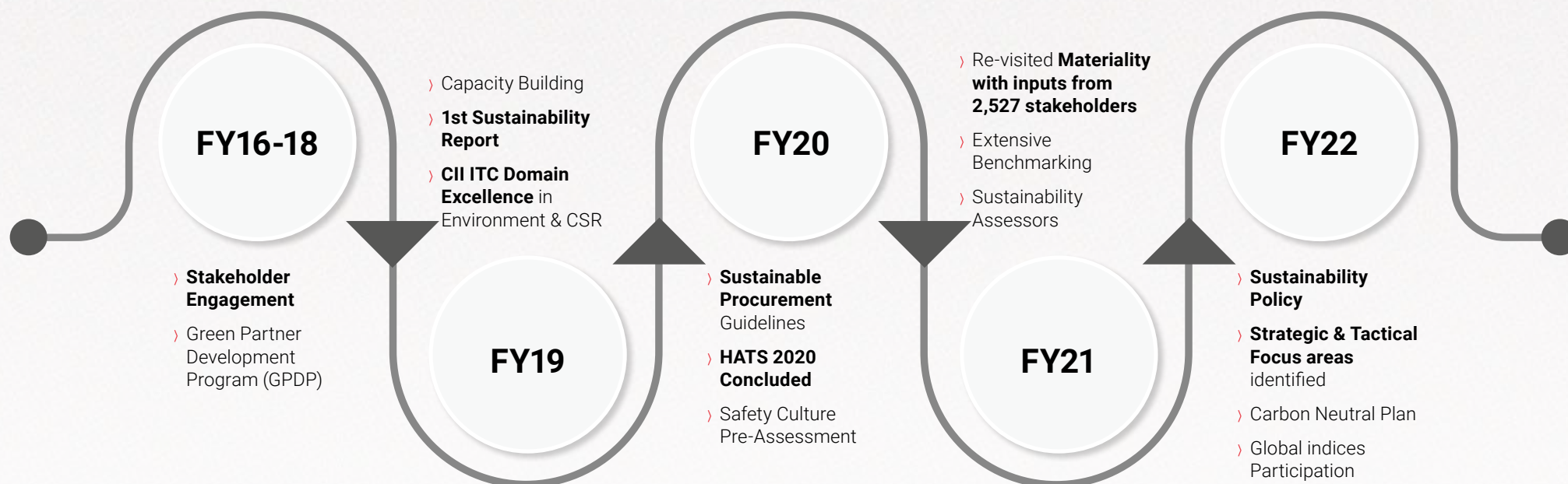
Dr. Pawan Munjal
Chairman & CEO, Hero MotoCorp





Hero MotoCorp – a global company with over 100 million customers contd.

Our Sustainability Journey



SR 18



SR 19



SR 20



SR 21



Expanding across the globe

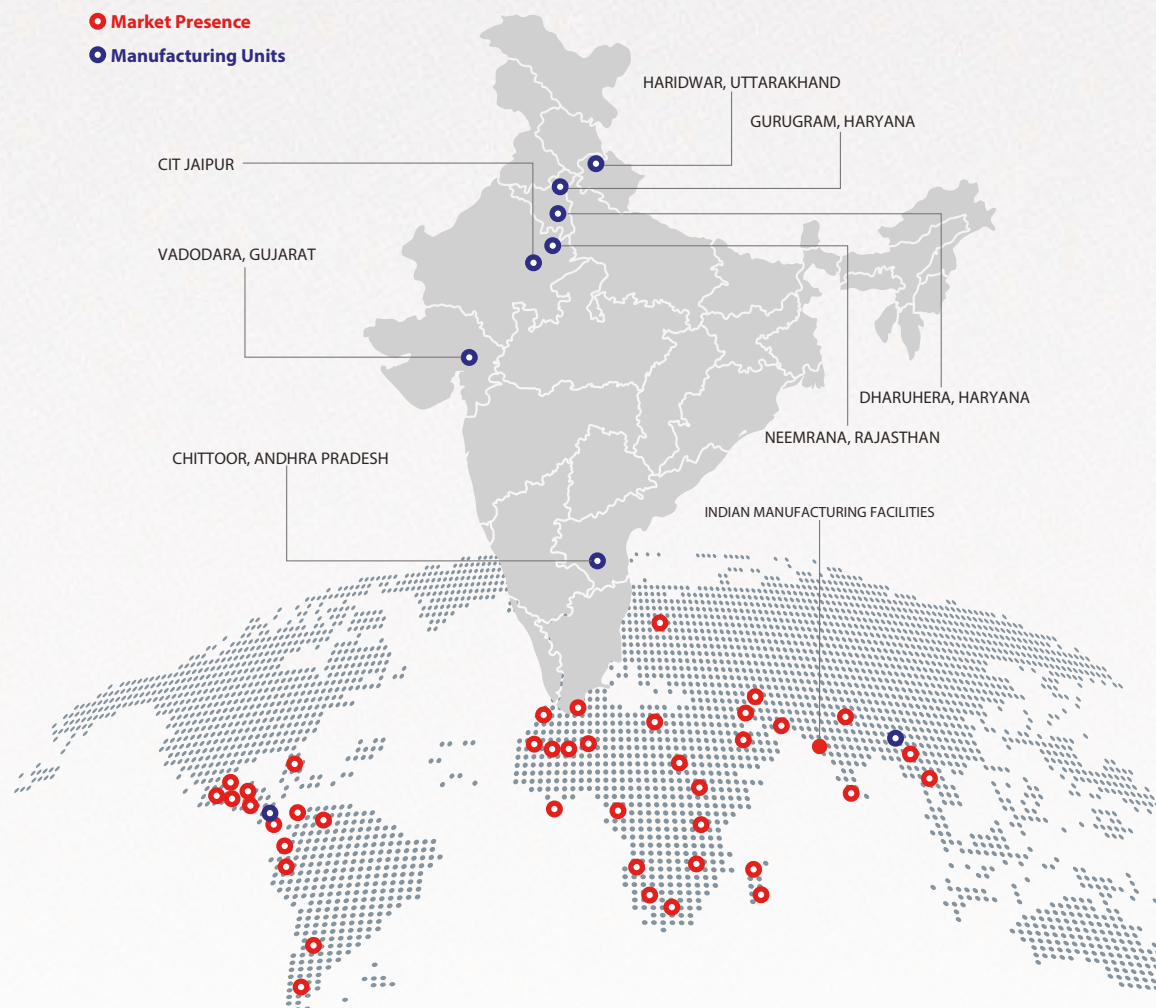
Operations at Hero MotoCorp's manufacturing facilities are based on the core principle of sustainable development, as the Company remains committed to maintaining the **highest ecological standards**. The Company's **eight state-of-the-art manufacturing facilities**, its **world-class R&D centre** and the GPC demonstrate Hero MotoCorp's sustainable aspirations.

In addition to its manufacturing facilities located in Colombia and Bangladesh, Hero MotoCorp has six globally benchmarked plants in India. Two of these are based in the northern Indian state of Haryana – at Dharuhera and Gurugram – while the other four facilities are based out of Haridwar in the hill state of Uttarakhand, Neemrana in the northern state of Rajasthan, Halol (Vadodara) in the western coastal state of Gujarat and Chittoor in Andhra Pradesh. Hero MotoCorp currently has an annual production capacity of ~ 9.5 million units.



Manufacturing capability (million units)

Dharuhera	Gurugram	Haridwar	Neemrana	Vadodara	Chittoor	Colombia	Bangladesh
2.1	2.1	2.7	0.8	1.2	0.4	0.08	0.15





Structured corporate governance

At Hero MotoCorp, we seek to develop a cohesive and conducive atmosphere in which the dignity of each individual is respected, and the highest ethical standards are embodied in all conduct. We are committed to maintaining and promoting a fair, secure, productive and inclusive workplace wherein everyone is valued for their unique contributions and respected for their different perspectives.

Hero MotoCorp strives for the highest standards of governance in our business, with a commitment to maintaining parity and transparency, thereby enabling long-term value creation for all stakeholders. The Company has developed a strong foundation for making corporate governance a way of life by constituting a Board of Directors, which is active, well-informed and intelligent, using several Board Committees as a mechanism for managing its affairs. The Board has an optimum combination of Executive and


Non-Executive Directors, representing a blend of professionalism, knowledge and experience. The Company recognises the importance of diversity on the Board and at all levels within the organisation.

Following its good governance practices and strategies, the Company reviews all policies at least once every three years. During FY 2021–22, as part of this practice and to carry out the necessary amendments as required under the respective applicable laws, the Company updated its Whistle Blower, Prevention of Sexual Harassment at the Workplace (POSH), Corporate Social Responsibility (CSR), Risk Management and Related Party Transactions Policies, Policy for Determining Material Subsidiaries, and Prevention of Insider Trading Code.

Code of Conduct

The foundation of Hero MotoCorp's governance model is a code of conduct representing a set of principles developed, recognised, adhered to and promoted by the Company. Hero MotoCorp understands that a code of conduct based on ethics, integrity and responsibility is an important driver of social and economic development. Responsibilities, accountabilities and reporting lines are systematically defined, with dedicated focal points for resolving internal and external

code of conduct issues. A structured mechanism with a key authorised person is in place for disciplinary action in case of any breach/violation. The grievance redressal mechanism is available at

 <https://www.heromotocorp.com/sp-pa/pdf/HMCLCodeofConduct.pdf>.

The Internal Audit Department investigates possible violations of the Code of Conduct during standard periodic and specific audits.





Sustainability governance

To ensure a strong governance perspective, the Board has included sustainability within the role of the CSR Committee of the Company and renamed it the Sustainability and CSR Committee.

The Core Sustainability Team (CST) formulates the strategies and roadmap for effective implementation. The strategies are then implemented through cross-functional engagements with teams across the enterprise. The CST continues to work on capability building, due diligence on evolving stakeholder requirements, engaging with various stakeholders, learning and benchmarking from multiple channels/platforms, and steering the sustainability drive.

The CST updates the Sustainability Steering Committee on ESG issues in monthly review meetings. Weekly calls are also conducted between the CST and the Steering Committee to accelerate decision-making processes and ensure clarity on specific subjects.

Policies – Commitment From Within

Hero MotoCorp's organisational framework is based on relevant policies and standards that set the foundations and guide improvements to drive towards growth responsibly. All our activities are based on improved management systems deployment and performance under the umbrella of the policies. Furthermore, we hold strategic workshops that enable our team to analyse risks and opportunities provided by the megatrends we see affecting us as we navigate an ever-changing and evolving paradigm and work towards supporting a sustainable planet.

Our subject matter experts have created policies, technical standards and supporting guidance and training documents that are consistently upgraded to provide a robust approach. These are available for use and reference through our online portals and website and are circulated through regular email communications. These framework documents help our teams be involved in and contribute to the development process, understand and fulfil our customers' expectations, and the role they have to play in keeping their people, resources and surrounding communities safe and always ready to respond to any unexpected threats or anticipated events.



We have instituted several policies and frameworks to ensure the ethical conduct of our business. Our policies ensure that we can always engage with our stakeholders justifiably and responsibly. We have also rolled out the Sustainability

Policy, consolidating our effort towards our sustainability agenda. The details of all the policies are available at



<https://www.heromotocorp.com/en-in/about-us/key-policies.html>



Sustainability Governance Contd.

Business Dealings With an External Ecosystem

Engagement/association with third parties and value chain partners (together referred to as the 'external ecosystem') entails critical issues and some financial and reputational risks that may impact Hero MotoCorp due to inappropriate conduct by other parties.

Hence, Hero MotoCorp consistently upgrades its capabilities and takes advice from various experts and advisors on due diligence factors to adequately evaluate its external ecosystem and promptly address any potential unnoticed threats and associated risk factors. The Company considers this important for the protection of its assets, integrity and reputation, and thus for overall long-term sustainability.

At Hero MotoCorp, there is always the challenge of working with agencies with varying degrees of maturity and expertise levels in their profile, frameworks of conduct, management processes, quality of execution, tools, methods and equipment. At times, their teams also have different levels of literacy and language skills. We extend our support to them with our expertise through additional need-based training, inspection and assurance. We are consistently working with our partners to ensure the availability and use of evolved safety systems, including standards, processes, equipment and training modules. These are delivered through the use of audio-visual systems in the local languages of the relevant region and through in-person field training under the supervision of the operational and safety teams.





Sustainability governance contd.

Compliance – Existing and Beyond

As a leading organisation, our primary aim is to ensure that we manage our compliance effectively and have an e-compliance tool in place.



Environmental

All statutory compliances concerning preventive maintenance schedules and environmental clearances through the respective Pollution Control Board are carried out on time. We have installed several systems and equipment to become zero discharge, thereby avoiding compliance issues from any Pollution Control Boards. A brief on environmental compliance is also included in the agenda for the Board Meetings quarterly, where any noncompliance, show cause notices, orders or any changes in the regulations are reviewed. We have not been levied any environmental fines during the reporting period.



CSR

We see the provisions of Section 135 of the Companies Act as a means of engaging with our stakeholders rather than a burden. We strive to strategically deploy our CSR expenses to reaffirm our 'social licence to operate' in the areas where we work by improving the societal conditions around these areas and solving the problems most important to our stakeholders.



Health, Safety and Human Rights

To strengthen our safety standards, we have established relevant safety procedures to ensure compliance with applicable norms related to the 1948 Factories Act. During the reporting period, there has been no noncompliance identified related to discrimination, child or forced labour.

During the reporting year, there were no fines levied on Hero MotoCorp due to noncompliance with the regulations or codes concerning health and safety impacts of products and services, product-related marketing communications, human rights, environment, ecological issues, anti-trust/anti-competitive practices, corruption, bribery or product information disclosure.

Hero MotoCorp has upgraded the environmental management systems of all its plants to the latest version of ISO 14001:2015. All of the Company's manufacturing facilities are certified with ISO 45001 (International Occupational Health and Safety [OHS] Management System and Standards). The Company endeavours to implement best practices in OHS management.





Responsible investments to pursue new growth

As a forward-looking company with a clear objective to stay ahead in the progress trajectory, we are continuously exploring and seeking opportunities to invest our surplus in emerging technologies, business propositions, disruptions and futuristic initiatives that have the potential to redefine the sector and shape new avenues.

While we generate direct economic value through our operations, products and services, we also work towards nation building by contributing to significant indirect economic impacts, culminating in increased economic activity, reduced social disparity and enhanced quality of life. We maintain a healthy balance sheet with a clear commitment to financial resilience.

Tax Strategy

Hero MotoCorp's Vision is to 'Be the Future of Mobility', and our contributions towards this come in many forms, including paying our fair share of taxes where we conduct business, as well as being transparent about what we pay and where we pay it. The Company publicly reports financial and tax information for each tax jurisdiction

across geographies in compliance with the securities and taxation laws prevailing in each country. The tax strategy is communicated to all the relevant stakeholders, from the key persons making financial and commercial decisions to those involved in the routine tax processes/procedures that we operate, so that it is firmly embedded in the culture that we adopt. The tax strategy is subject to continuous reviews to ensure that the Company is adhering to its strategic priorities and utilising fair tax conduct as an enabler rather than an obligatory requirement.

Our objective is to ensure that relationships between the Company and tax authorities are transparent, constructive and based on mutual trust. Hero MotoCorp complies with all relevant legal disclosures and approval requirements as per the prevailing tax laws and has relevant mechanisms in place for ethical conduct in tax affairs and avoiding 'tax havens'.

Hero MotoCorp follows a structured process of handling its tax affairs:

- › Submit all tax returns on a timely basis, including sufficient detail to enable authorities to form an accurate view of the corporate affairs, with an adequate supporting audit trail in compliance with the law
- › Payment of the appropriate amount of tax on time

- › Maintaining robust tax accounting arrangements that are accurate and compliant with the regulatory tax requirements
- › Always ensuring that the departments who are involved in the tax processes are both adequately resourced with the right skillset and thoroughly supported by all other departments as and when needed
- › Providing documentary evidence recordings and data reconciliation with each and every tax filing position

Tax Transparency

Corporate responsibility is at the core of Hero MotoCorp's operating strategy, and as an inherent part of this, the Company is committed to being a responsible taxpayer that works closely and continuously with experts, auditors and tax authorities to ensure that we responsibly comply with tax laws, pay and report our taxes on time, and have open and constructive conversations with all stakeholders, including government and tax authorities. We do not tolerate the facilitation of tax evasion by people who act for or on behalf of the Company.

Acting with integrity in creating and executing our tax strategy, policies and practices is core to our tax approach, as is our commitment to transparency. We disclose our financial contributions to governments at a country level, as we believe this is an important way to demonstrate that it is possible to achieve

an effective balance between a company's responsibilities to society through the payment of taxes and its obligations to its shareholders.

We believe that it is strongly in the shareholders' interests that companies fully acknowledge their responsibilities to the whole of society, including by paying all taxes due under effective tax regimes. We also recognise and value the benefits for society that arise from well-functioning taxation systems.

Hero MotoCorp strives to ensure that all the Company's commercial transactions fully comply with the law. Tax incentives and exemptions are claimed to the extent legitimate. The Company's affairs are transformed in the most tax-efficient ways. Where the laws or regulations may be interpreted as ambiguous or conflicting, appropriate expert internal and external professional advice is sought before decisions are taken.

The Chief Financial Officer is responsible for handling taxes at the Board level and communicates with and advises the Board on the tax affairs and risks of the Company, with support from the Company's highly qualified and professional corporate tax team, including consultants. Risk mitigation is carried out by taking strong technical positions following the applicable laws. Material tax risks or disputes are reported to the Audit Committee for consideration.



Utilising local potential – local procurement and hiring

Hero MotoCorp maintains a fine balance of local and international workforce teams to ensure employment creation in the proximity of our business while at the same time revitalising our intellectual capital by hiring the best talent available globally.

Local procurement is one of the key components of our sourcing strategy, and we procure materials from a wide range of local supply chain partners that meet our quality, delivery, technology and engineering requirements. Our suppliers cover the whole spectrum of large and micro, small and medium enterprise (MSME) industries.

Participation and Advocacy

Hero MotoCorp constantly liaises with relevant national and international bodies to provide the industry with specialised information and knowledge.

Hero MotoCorp engages with Confederation of Indian Industry (CII) in one of its flagship initiatives – the GreenCo Rating System, which focuses on sustainable practices benefiting society at large. Hero MotoCorp supports the CII in extending this initiative to create a Green Community wherein different original equipment manufacturers (OEMs) and value chain partners evaluate themselves on Green practices and benefit by strengthening/adopting the Green philosophy.

Hero MotoCorp also engages with the SIAM on product safety, emissions rules, recycling and battery management. One such current engagement is the End-of-Life Vehicle Strategy, where the Company is providing the necessary input and suggestions on the policy framework on vehicle scrapping and recycling mechanisms to create a robust ecosystem and sustainable business approach.

Through these platforms, Hero MotoCorp also advocates for Net Zero Emissions and highlights the benefits of a close connection to the planet, people and businesses.





Risks and opportunities

At Hero MotoCorp, working towards our vision means proactively preparing now for the rising pressures, material issues or risks from external factors that we will be facing in both the short and long terms. These risks will come from the need for humankind to create a sustainable place to live and do business. We use a structured and collaborative process to bring comprehensive visibility to the extent of the challenges we face in life and their impacts on businesses and the community at large. Our approach identifies the risks of the limiting factors that we face today and paves the way to define those that are priorities or opportunities for the future.

Risk Governance

Hero MotoCorp has operations across several geographies and is impacted by global as well as regional trends in the automotive industry, including changing policy scenarios, stricter business environment and regulations, and fluctuating fuel and commodity prices. Risk management is a collaborative process and integrated mechanism at Hero MotoCorp. The Board is responsible for the overall risk management process, supported by the Enterprise Risk Management programme. The programme helps the Company's business units and corporate functions address opportunities and attend to risks through an institutionalised approach. In order to provide a foolproof mechanism, the risk management process is also facilitated by audits. The overall approach to managing business risk focuses on cross-functional involvement and communication across businesses.

Risk representatives across various functions collate and participate in giving input for the risk register and support in identifying and implementing risk mitigation measures. Focused training on risk management and measures allows individual employees to proactively identify and report potential risks through a structured feedback mechanism throughout the organisation. Incorporating risk criteria in the product development and approval process is an intrinsic element of the Company's product strategy.

To deal with a vast range of threats, we are constantly developing processes to identify, assess and manage risks through technology, process reviews, engineering interventions, administrative mechanisms and, crucially, by managing and enhancing people's behaviour.

Visualising Risk as an Enabler

In order to improve competency and create the behavioural changes to see risk as an enabler of an underlying opportunity, we encourage our teams in:



Emerging global scenarios and challenges, such as pandemics, sensitivity to economic cycles of supply and demand, climate change risks, commodity headwinds and stringent norms across geographies, have profound impacts on company strategies. Considering this range of factors enables the Company to make economic and ESG resiliency central to our planning for the road ahead.



Risks and opportunities contd.

Emerging Risks Landscape



Economic

Identified Risks

Recurrence of COVID-19 in HMCL's export markets

Economic uncertainty in key global markets

Potential cyberattacks as many employees continue to work 50% of the time from their homes

Potential impact

Decline in demand due to lockdowns, negative sentiment

Decline in sales, impact on earnings before interest, taxes, depreciation and amortisation (EBITDA) margins

Cyberattacks can lead to loss of valuable information, unauthorised access to data systems and other events of intrusion

Opportunities

Support the global business with additional markets beyond the existing ones

Concerted localisation efforts make HMCL a part of new value chains in addition to the existing one

HMCL strengthened its IT infrastructure by scaling up the system security across locations

Mitigation Measures

HMCL plans to enter new markets

Intelligence on local developments and a highly agile global business team

Deployed measures such as taking data backup over the internet, awareness mailings, internet protocol security (IPSec) and secure sockets layer (SSL) tools to provide virtual private network (VPN) access at homes, virtual desktop infrastructures (VDIs) for remote access, preventing corporate targets from phishing emails, etc.

HMCL also renewed its cyber insurance



Risks and opportunities contd.

Emerging Risks Landscape



Environmental

Identified Risks	Potential impact	Opportunities	Mitigation Measures
Significant shift from internal combustion engine (ICE) vehicles to EVs	EV sales replacing the traditional IC engine volume	Explore new business models – Battery as a Service, Vehicle as a Service, etc. Charging infrastructure	Investment in Ather Energy In-house efforts towards a winning EV solution
Rising pollution levels	Public transport and shared mobility solutions are taking over private modes of transportation, impacting sales volume	Shared mobility opens new revenue streams by encouraging OEMs to develop targeted products and innovate business operations	Successfully transitioned to Bharat Stage Emission Standards (BSVI) An in-house team was formed to explore new business models to create value for both the organisation and customers
Depleting Air Quality Index	Prolonged exposure to poor air can lead to ailments – accelerated aging of the lungs, bronchitis, asthma, etc.	Give back to society by planting more trees	Happy Earth Initiative – 2.38 million trees planted
Operation in water stress regions	Low production and eventually shutdown	Utilise technology and low water consumption initiatives	Enhanced efficiency of existing recycling facilities, increased reuse and recharging of groundwater through rainwater harvesting



Risks and opportunities contd.

Emerging Risks Landscape



Social

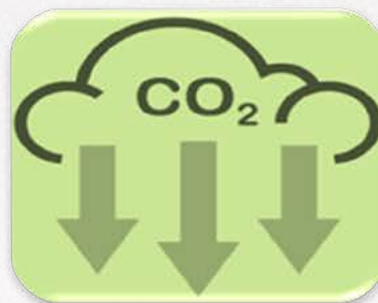
Identified Risks	Potential impact	Opportunities	Mitigation Measures
Black swan events	Fear of pandemic, customers shying away from visiting showrooms (particularly during a festival period)	Explore even more innovative ways of creating value for customers	Launched e-shop portal Enabled digital payments at dealerships, online document collection facilities, etc.
Workforce falling ill due to widespread disease	Labour challenges leading to the workforce staying away from work for long periods	Developing labour-centric policies and addressing their inherent needs	Support by giving Immunity Booster Kits Supporting the workforce and their families in as many ways as possible
Human health and safety	Staffing may stay out of the workforce for an extended period, directly impacting planned production	Development of preventive and well-being measures that raise the overall health quotient of the organisation	Proactive and scheduled health check-ups Enhanced medical assistance and strict work protocols
A shift in spending patterns	Customers wanting to delay certain discretionary purchases	Identify ways of delivering greater value to customers	Attractive offers planned for customers Subvention finance schemes (Low Rate of Interest)



Value Chain Engagement on Sustainability (At a Glance from FY 2007-08 to FY 2021-22)



**Energy savings -
126 GWh**



**Carbon Reduction -
99,540 Tonnes**



**Water Conserved -
1,910 Mega L**



**Solid waste reduction -
2,200 tons**



**Liquid waste reduction -
54 Mega L**

The Progress Data is of our Supply Chain Partners under the framework of Sustainable Partner Development Program (Formerly known as Green Partner Development Program).



Our key performance indicators

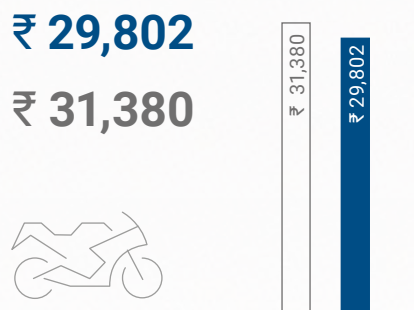
Financial Highlights



No. of Vehicles Sold (in lakh)



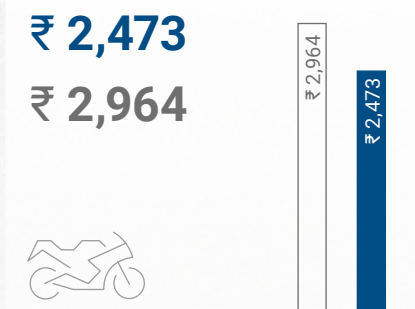
Total Income (INR crore)



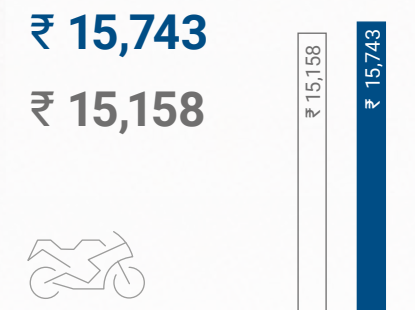
□ FY 2020-21 ■ FY 2021-22



PAT (INR crore)



Reserves and Surplus (INR crore)



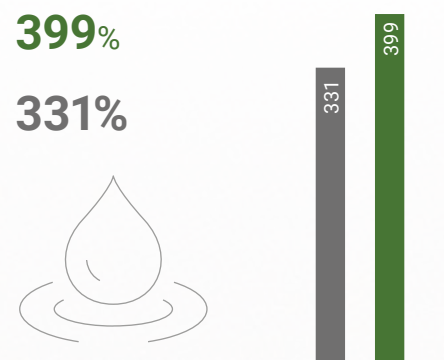


Triple bottom line contd.

Environmental Highlights



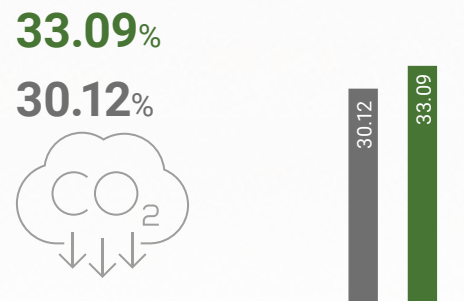
Water Positive facilities (%)



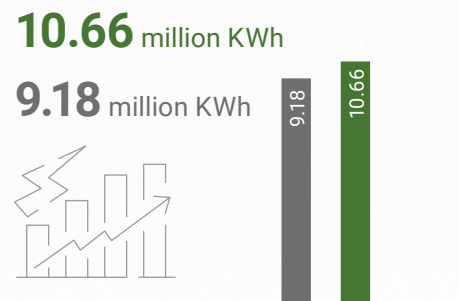
Waste Neutral facilities (through ZWL certification) (%)



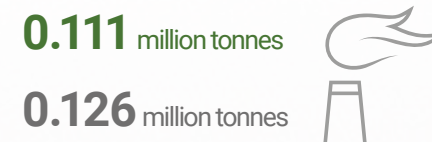
Carbon neutral operations (%)



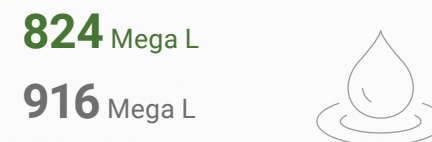
Total green energy generation in million KWh



Carbon Emissions (Scope 1 + Scope 2) (million Tonnes CO₂)



Total Water Withdrawal in Mega Litres (Mega L)



Total Waste Generated*



*ZWL – Zero Waste to Landfill

■ FY 2020-21

■ FY 2021-22

*excluding Oily rags and Used Oil



Triple bottom line contd.

Social Highlights



Beneficiaries of Education Initiatives Under Shiksha (lakh)

4.36 lakh

4.30 lakh



Beneficiaries of Ride Safe Initiative (lakh)

9.21 lakh

7.43 lakh



■ FY 2020-21 ■ FY 2021-22



Cumulative water conserved beyond fence (in million litre)

178 million litre

82.4 million litre



Total Female Employees

2,079

1,520



Expats

32

28



Specially abled

98

66





Certifications, awards and recognitions

1

Certificate of Appreciation from Hon. Governor of Haryana, Shri Bandaru Dattareya, for valuable contribution in combatting the COVID-19 pandemic

2

Letter of Appreciation from the Office of the Medical Director, Lok Nayak Jai Prakash Narayan Hospital, for support in establishing a 50-bed dedicated COVID-19 ward

3

Letter of Appreciation from Janakpuri Super Speciality Hospital for support in establishing a 50-bed dedicated COVID-19 ward, including 20 ICU beds and critical care provision

4

Certificate of Appreciation from Republic Day CSR Awards for COVID-19 Relief initiatives in Haryana

5

Dr. Pawan Munjal awarded the prestigious CNB Visioneer Award

6

Hero MotoCorp commended by the Economic Times as 'Best Workplace for Women 2021'

7

Haridwar and Vadodara plants certified as Zero Waste to Landfill facilities

8

Mahatma Award to Hero MotoCorp for CSR Excellence

9

Gurugram plant: Winner in 'WITHIN THE FENCE' for water conservation initiatives

10

Vadodara plant achieved Energy Management System ISO 50001:2018 Certification

11

Neemrana plant awarded accolade for 'Most Innovative Environmental Project' by the CII

12

'CSR Shining Star Award' from the governor of Maharashtra

13

Neemrana plant awarded the State Safety Award 2021 in the Rajasthan Factory Safety Award Outline 2021

14

ISO 45001 Certified Facilities

15

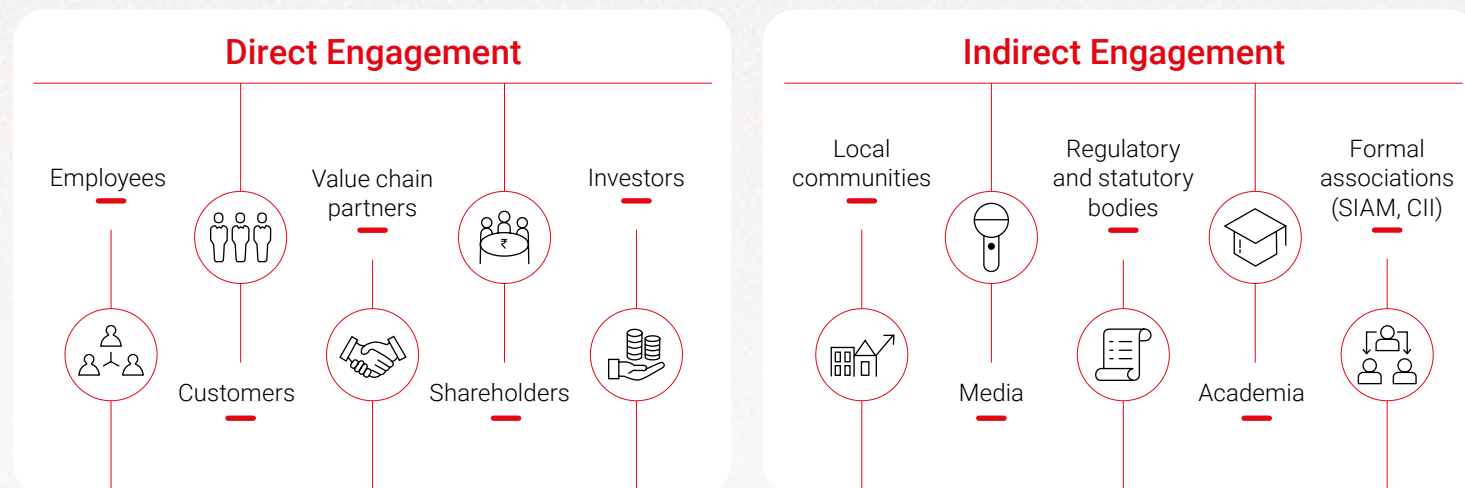
Centre of Innovation & Technology - First R&D Centre to be certified as "GreenCo Platinum" by CII



Stakeholder engagement and materiality

Climate protection, resource conservation, data security and human rights are some of the current challenges that extend beyond national borders. As a result of these issues, directed strategic cooperation and targeted collaborations are becoming significantly prudent.

At Hero MotoCorp, we strive to communicate continually with all of our stakeholders. The Company is committed to consistently upgrading and updating by considering different perspectives, acquiring new knowledge and learning from stakeholders' expertise in domains with exposure to various subjects and experiences. The first step towards practical, pragmatic solutions includes participation in constructive discussions and engagement on material topics with stakeholders. The comprehensive details of the stakeholders are enlisted, and the identification process follows a structured approach wherein individual stakeholders' interests, insights and opinions in relation to the impact of our business operations are clearly presented in our materiality matrix formulation and strategy development.





Stakeholder engagement and materiality contd.

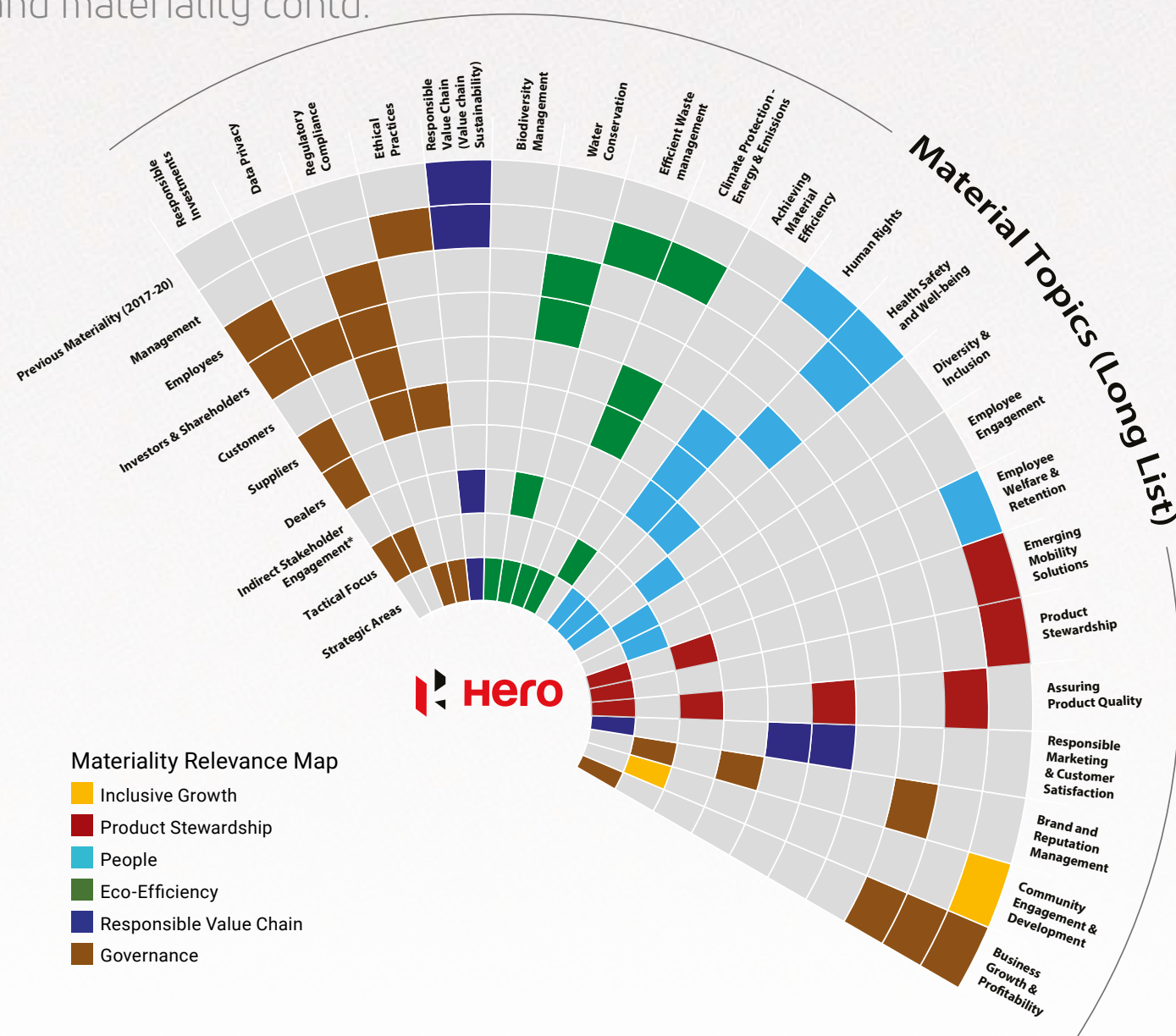
Stakeholders	Methods of Engagement	Purpose of the Engagement	Stakeholders	Methods of Engagement	Purpose of the Engagement
Customers	Customer service interactions, dealer management systems, websites, showrooms, external campaigns and shows, events, safe driving forum, customer surveys, media (TV, magazines, social media), mailing services, materiality surveys	Reflect customer feedback and address their concerns (via various touchpoints) in products and services	Industrial Associations	Joint workshops and due diligence on the entire ESG spectrum through capability building, studies, automotive and non-automotive organisations – SIAM, CII roundtables, working groups, conferences, events, assistance	Participation and external communication/knowledge gaining/sharing platforms
Employees	Direct contact (including whistle-blowing system), intranet, internal events, capability building sessions and workshops, materiality surveys	Explain to employees the direction for long-term strategies and welcome their insights and perspectives	Banks	Corporate collaborations	Asset management, support and workforce facilitation
Value Chain Ecosystem	Supplier conferences, dealer conventions, business meetings, direct contact, briefings, corporate guidelines, websites, dedicated portals, materiality surveys	Increase understanding of business volume, customer aspirations and expectations, value chain sustainability	Local Communities	Local events, plant visits, conferences, sponsoring, traffic safety awareness campaigns, engagement on climate, biodiversity and community infrastructure under the CSR umbrella	Promote activities to raise awareness of green, safe and sustainable living and inclusive prosperity
Shareholders and Investors	Direct contact with Investor Relations (IR) team, shareholder meetings, financial results briefings, IR events and meetings, websites, materiality surveys	Explain corporate results, business strategies, sustainability roadmap and initiatives, and growth prospects Please check for others also	Academia	Plant visits, corporate oriented courses, interactive workshops, interactive sessions online/offline	Promote an understanding of global sustainability issues and enhance external communication
			Media	External corporate communication, press releases, LinkedIn, YouTube, websites	Sensitisation of new product launches, diversity and inclusion, career advancement initiatives
			Regulatory Bodies	Conferences, external forums and public platforms	Policy strengthening and socioeconomic benefits to stakeholders



Stakeholder engagement and materiality contd.

Mapping the relevance of material indicators, as well as monitoring and regularly reviewing material issues, is critical to identifying and understanding emerging risks and hidden opportunities. To strengthen stakeholder engagement and improve the efficiency of our materiality analysis, Hero MotoCorp combines input from stakeholders with the Company strategy and plan, key global risks, corporate values, industry trends, information of interest for investors, and community connections and expectations. The materiality analysis is the key element that reinforces our continued engagement and dialogue with stakeholders, helping us better understand opportunities and paving the way for recalibrating our strategies.

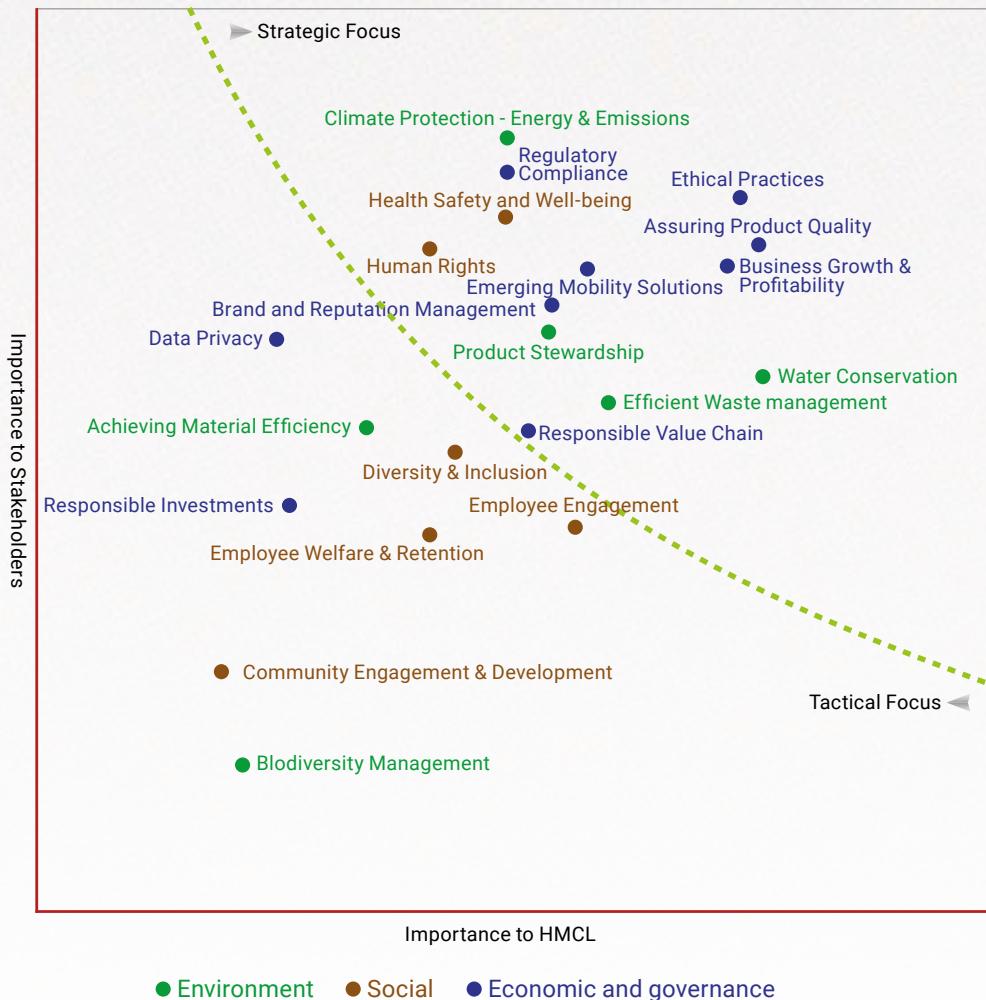
The materiality matrix acts as the backbone of our sustainability approach, with internal and external alignment to implement systemic change. Hero MotoCorp believes that the true value of materiality is at the strategic level and that it is a crucial factor in updating our business priorities.



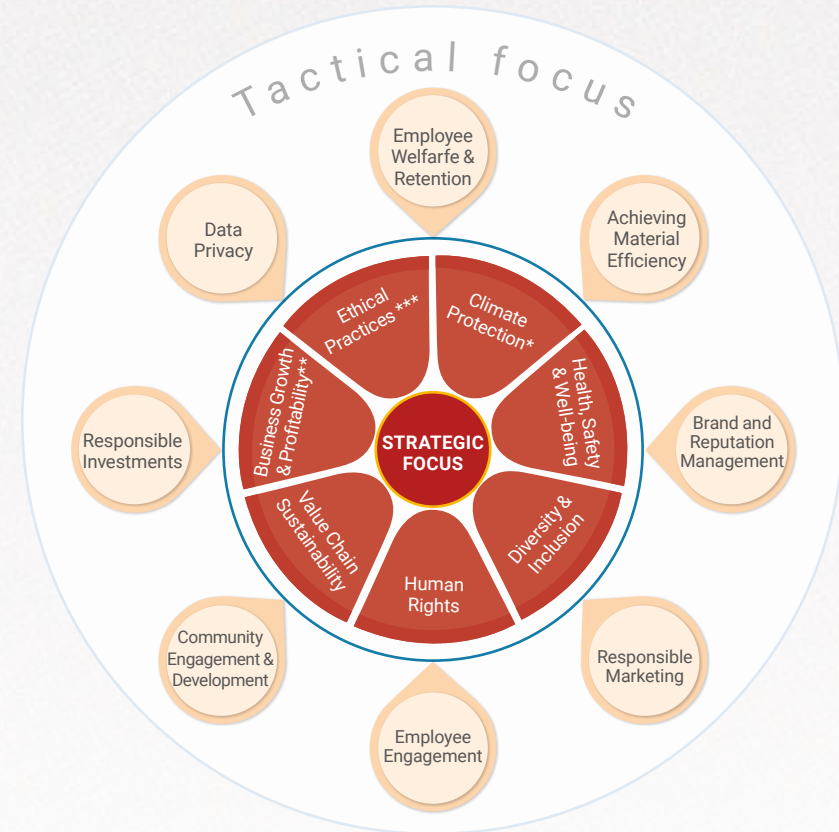


Stakeholder engagement and materiality contd.

Materiality Matrix of Hero MotoCorp



Strategic and Tactical focus areas



As a result of the Materiality Assessment, Hero MotoCorp has recalibrated its Sustainability Framework to account for changing paradigms and incorporate the value of the stakeholders' insights. From the existing framework, the Company has developed the foundation of an overarching package around the revised framework, which includes comprehensive strategic and tactical focus areas under the pillars of Responsible Business, Social Inclusion and Climate Protection. This new framework lays the foundation for setting aspirations for 2030 and beyond.

* Includes Energy & Emissions, Water Conservation, Efficient Waste Management, Biodiversity Management

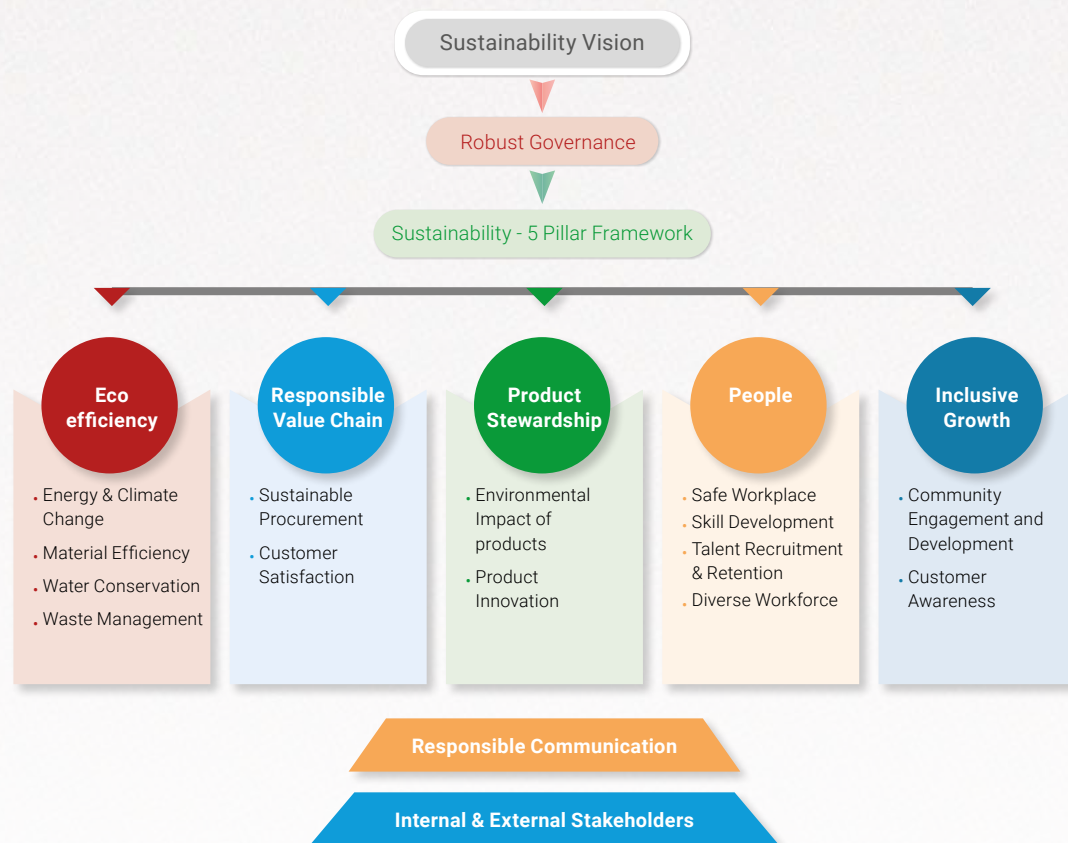
** Includes Assuring Product Quality, Emerging Mobility Solutions, Product Stewardship, Product Innovation and customer satisfaction.

*** Includes Regulatory Compliance



Stakeholder engagement and materiality contd.

Original Framework



Framework

The Successor to the Original Framework with a Deeper Focus

In order to realise a sustainable future, Hero MotoCorp is continuously working towards reforming into a resilient business capable of operating successfully within the increasingly challenging regulatory environment and under tightening resource constraints globally. This necessitates envisioning a future beyond the limited conventional paradigms of good financial, operational and environmental performance. Utilising our team's business acumen, harnessing scientific data, capturing stakeholders' insights and listening to expert voices will lead us to a sustainable tomorrow where Hero MotoCorp is not just in line with best practice but leading the way. Equipping our organisation with an updated Sustainability Framework and encompassing the material indicators around ESG in a structured and focused way are steps in the right direction.

The recalibrated Sustainability Framework aims to cover systems across our complete value chains. This will help us to redefine our Company's core connection with sustainability, re-align with global standards and changing scenarios, and use stakeholders' strategic insights to support our teams in understanding the variety of unpredictable challenges they will face and need to accommodate, including in the legal, physical, technological and structural domains. This framework is vital as a compass for our Company's sustainable business planning, allowing us to make informed and meaningful decisions for directional changes as the future unfolds. We have now revised our framework.



Sustainability foundation and framework

Foundation

We Care for a sustainable tomorrow



Establish next practices rather than best practices

Sustainability framework encompassing ESG





Jan Feb Mar Apr May Jun Jul Aug S

Our sustainability strategy

Hero MotoCorp's strategy focuses on maintaining our leading position in the mobility market while enhancing and protecting the value and exclusivity of our brand. Our strategy is crafted to ensure the freedom of mobility by providing safe, sustainable, affordable and enjoyable options. A number of megatrends will shape the future of mobility: **climate change, the evolution of the markets based on demographics, connectivity and the autonomy of products, digitalisation, changes in customer behaviour, and the sharing economy.**

Hero MotoCorp is in the right position to meet these aspirational challenges and make a sustainable difference. Our Company is paving the way every day by improving efficiency, enhancing performance, having an uncompromising sense of responsibility and maintaining transparent dialogue with stakeholders.

Innovation
Branding
Solution
Marketing
Analysis
Ideas
Success
Management

Our sustainability strategy contd.

Factors expected to drive change:

10 billion

people share the planet, with 70%+ living in cities by 2050.

(<https://www.worldometers.info/world-population/world-population-projections/>)

Six of the world's largest future economies will arise from today's emerging economies, and India is projected to be the world's **second** most powerful economy by 2050

(<https://www.bbc.com/travel/article/20200322-five-superpowers-ruling-the-world-in-2050>)

90%+

of all people have access to the internet.

The effects of **climate change** are apparent

Consumer power is increasing, and customised solutions are becoming a standard expectation

How does this translate for our industry as a sector?

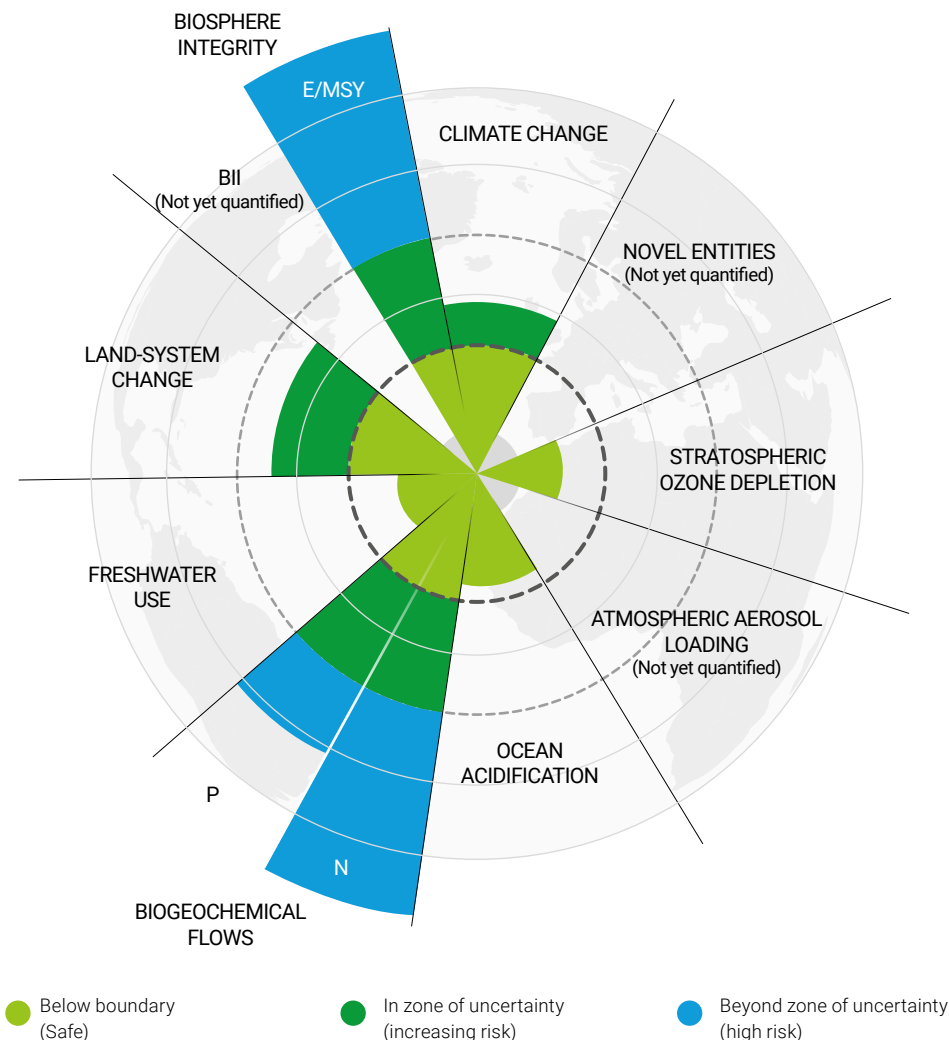
- › Change in customer structure (from a product focus to a solutions focus)
- › Stricter regulations with no waivers
- › Unexplored areas

How is this significant for Hero MotoCorp?

- › There is significant demand for flexible mobility solutions.
- › Sustainability is becoming the norm, and without it, business will cease to exist.
- › A significant proportion of people are starting to prefer utilising services instead of owning products.
- › Companies addressing customer concerns and anxiety and placing strong focus on data security are thriving as they provide seamless services and products.
- › The business-to-everyone (B2E) concept is evolving, incorporating both B2B and B2C in one approach.

Incorporating the concept of "Planetary Boundaries" in crafting our strategy

(Source: Stockholm Resilience Centre)





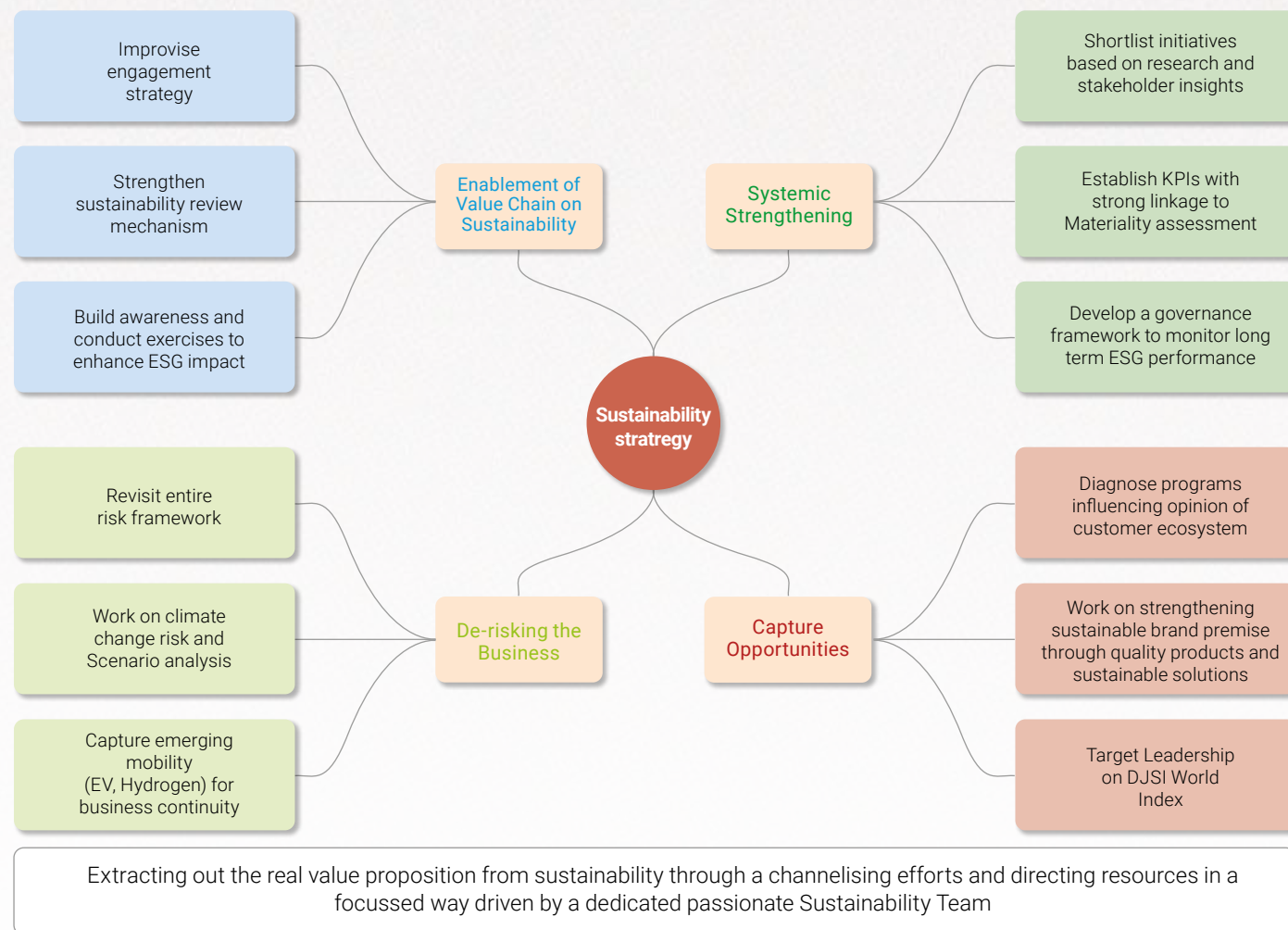
Our sustainability strategy contd.

Incorporating the Concept of 'Planetary Boundaries' in Crafting Our Strategy

(Source: Stockholm Resilience Centre)

A couple of years ago, the concept of nine distinct planetary boundaries was established and endorsed by the United Nations, the international science community and climate scientists. These boundaries are necessary limits that, if crossed, will seriously compromise the Earth's suitability as a habitat for sustainable living. Alarmingly, some of these boundaries have already crossed the threshold: loss of biosphere integrity (biodiversity loss and extinctions), chemical pollution and the release of novel entities, climate change, and land system change.

Central to Hero MotoCorp's strategy is the belief that effective, lasting solutions to issues concerning planetary boundaries, climate change and other pressing environmental and social issues can only be achieved through an integrated approach that combines individual and collective commitment, effective multi-stakeholder engagement, investment in enabling technologies and the incorporation of circular economy principles. All these elements are an integral parts of Hero MotoCorp's model of operating responsibly and are paving the path towards resilience for our business.





Responsible business

Every moment, Industries are joining forces in specific fields to enhance their future-oriented capabilities, optimise development cycles and ensure that they remain competitive, purpose-driven and relevant.

The evolution of non-fossil-fuel-based and sustainable mobility solutions is one of the most significant aspirations of our time. It requires the development of new capabilities through alliances between scientific authorities and experts, automakers, suppliers, the energy industry, decision-makers, policy formulators and society. It can only be accomplished through a shared attitude, with different groups aligning to work in a responsible and structured way towards a resilient society.

As a future-ready organisation, Hero MotoCorp has revamped its leadership team to augment its initiatives for developing a more sustainable organisation. The introduction of new verticals and positions therein, such as the EMBU and Innovation Cell, Corporate Affairs, and Mergers and Acquisitions, highlights the Company's vision and its endeavours to achieve the same.

With its new vision – 'Be the Future of Mobility' – the Company aims to be the leader in the novel technological field of emerging mobility solutions and EVs. The two key goals in this area are clean mobility and sustainability, which will lead EV progress.

To further strengthen the existing practices in various functions, the Company has also carried out internal restructuring and created new positions to bring in fresh perspectives and ideas. We are poised for growth, and with our renewed focus on Quality across the organisation, we have

been taking giant strides to enhance and build our capabilities and strengths.

Hero MotoCorp is working together with a wide variety of partners, ranging from start-ups to major industrial groups, along the road that converges to sustainable clean mobility products and services. This collaborative approach is designed to enhance the Company's ability to cater to the growing need for mobility solutions alongside climate protection, resource conservation, sustainable cities, traffic safety, data responsibility and the protection of human rights.

Hero MotoCorp believes that long-term growth is achieved and maintained by linking economic performance with environmental stewardship and financial operations with social responsibility. As a leader in the automotive industry, the Company always strives to ensure our sustainability focus is embedded in our strategy and our prospects, and that our ambitions are compatible with sustainable development practices, seeking the right balance in every choice we make as we work to provide mobility solutions and continue to prosper together responsibly.





Responsible business contd.

Brand and Reputation Management

Because brand and reputation are often tied to emotions, trust and gut reactions towards an organisation, they have significant potential for value creation and destruction. Hero MotoCorp understands that, when managed well, brand and reputation can be the most significant levers to influence perceptions and create positive momentum for an enterprise in the global ecosystem. The organisation is committed towards Ethical Branding and marketing practices.

With an established, focused effort on strengthening brand prowess, we believe that our brand is essentially a promising basis for showcasing the business's core

beliefs and values. Hero MotoCorp's Brand and Reputation strategy comprises building a solid programme and fostering buy-in across the organisation, creating a brand story that resonates with customers and motorcycling enthusiasts, deploying the narrative internally and externally, and establishing monitoring tools to measure the effectiveness of brand and reputation efforts, all within a strong governance structure that sets the tone and serves as the glue to integrate the brand strategy.

The effectiveness of our brand strategy is measured through the brand track research conducted by a third party. Depending on their product(s) and segment(s), individual

teams are responsible for different brand health key performance indicators (KPIs), determined based on the relevant purchase funnel of each product/segment/market.

'Ladki Chala Rahi Hai' – Intertwining Diversity and Brand

The recent brand strengthening and media advertisement campaign of one of our flagship products, 'Pleasure + XTEC', has been designed to break the stereotypes notions of the society. The campaign has created enormous momentum across the customer ecosystem and social media platforms. It has started many conversations regarding women and the issues they face in an attempt to strengthen the spirit of women. The ad has created a strong response in a fun and quirky way. The theme 'Ladki Chala Rahi Hai' has garnered a thunderous response on various cyber and digital platforms, which signifies a promising premise and a competitive venture to foster and strengthen the scooter portfolio among target commuters.

The advertisement is principally based on promoting 'D&I' across our ecosystem and empowering women riders to experience a safe and seamless commute.





Responsible business contd.

Business Ethics and Compliance

A prerequisite for developing trust with customers, business partners and society is to conduct business with an ethical mindset and integrity. Hero MotoCorp's foundation lies in the principles of ethics, and our codes set the framework for our business ethics and our expectations of everyone involved in our business.

As a market leader, the Company is committed to the highest standards of governance. As a responsible corporate citizen, our principal aim is to ensure effective management of regulatory and statutory compliances by establishing standards and implementing procedures to ensure that the compliance programmes

throughout the organisation are effective and efficient in identifying and complying with all applicable laws and regulations. With this in mind, the Company has deployed a Compliance Insights Tool – a web-based self-assessment tool that proactively defines and executes the applicable national legal and statutory obligations. The tool automates compliance management to mitigate human errors, thus reducing compliance-related risks. The tool is periodically updated by an independent third party to ensure incorporation of and adherence to the latest changes in statutory and legal requirements. The tool works on a maker-checker mechanism, whereby

every compliance factor is checked and submitted by two individuals. The tool provides automated alerts and a granular task view for the users tasked with compliance-related activities, and a real-time dashboard provides management with graphical reports. All users are provided with regular training on the new features and updates in the tool. Through this tool and awareness creation on the importance of 100% compliance, the Company is constantly striving for improved compliance discipline and culture across the organisation.

To ensure that compliance tasks are not missed while the person responsible for

them is travelling, the Company is working on developing a Compliance Tool app for both Android and iPhone users. This will help users update their compliance activity on the go. The app is currently in the testing phase and will be available for users in the first quarter of FY 2022–23.

At Hero MotoCorp, we condemn all forms of unethical practices, and we are committed to working actively against them wherever we do business. The Company is guided by international frameworks, such as the UN Global Compact, in these efforts. The overall purpose of this work is for our stakeholders to act ethically.

The foundation of the Company's governance model includes protocols and guidelines that reflect our commitment to a culture dedicated to integrity, responsibility and ethical behaviour.

The governance model regulates the decision-making processes and the approaches used by the Company and our workforce in interacting with all stakeholders. The model is supported by an effective escalation mechanism for reporting situations, events or actions that may be inconsistent with the Company's values/codes in alignment with international best practices.





Responsible business contd.

Business Growth and Profitability

A business can impact many lives, and it does so by creating value for its stakeholders and itself. By understanding customers' priorities, evolving aspirations and shifts in sentiments, Hero MotoCorp can provide products and services to our customers on a competitive level. This is the basis for our strategic direction in Business Growth and Profitability.

Hero MotoCorp has strategic priorities to capture growth opportunities and improve underlying performance. The priorities capture the intent to strengthen the areas where we already perform well and add new areas of importance for the future. They also guide the Company's actions and decision-making processes.

Embarking on a new collaborative journey, Hero MotoCorp is handling the distributorship of Harley Davidson brand. This arrangement is mutually beneficial for both companies as well as for motorcycle riders in India, bringing together the iconic Harley-Davidson brand with the strong distribution network and customer service record of Hero MotoCorp.

Hero MotoCorp has taken a leap towards furthering its electric mobility strategies by partnering with one of the behemoths of the EV world, Gogoro. Hero and Gogoro's

vision and commitment are perfectly aligned towards the common goal of accelerating the shift to smart, sustainable electric mobility solutions in India and around the world.

Assuring Product Quality

Hero MotoCorp's history of developing best-in-class quality products spans decades. It is marked by numerous engineering breakthroughs that are now standard features industry-wide around the world. The Company recognises that our success depends on our ability to develop innovative, high-quality products that consumers are proud to own and drive.

For every product, quality parameters ranging from customer expectations to functional requirements are analysed from the earliest design stages. A cross-functional initiative within the Company focuses on managing risks and implementing product solutions. The initiative assesses the risks associated with items such as new vehicle features during the design phase, which are then evaluated against existing data and processes to determine if different testing approaches and technology shifts are needed. The programme helps identify and avoid potential quality issues earlier

in the vehicle development process and makes implementing solutions more cost-effective and easily scalable.

We operate state-of-the-art quality centres inside our manufacturing units: high-tech laboratories with a clean-room environment. These centres are equipped with the latest testing apparatus and a complex set of fixtures so that engineers can assess and re-tune parameters to evaluate product risk more proactively. These tools are used to identify and resolve quality issues before vehicles are shipped to dealers and, ultimately, sold to the end customers. As part of our quality approach, all our manufacturing units have adopted a Quality Management System that is ISO 9001 certified. Our Engineering and Quality teams also study how vehicles perform in various predictable and non-predictable environments through physical on-road testing at our 16-km multi-terrain test track at our CIT, Jaipur. Vehicles are driven day and night on various road surfaces, at high and low altitudes, through dry, hot, humid weather, and in a range of other challenging conditions. The feedback is duly reviewed before updating the vehicle mechanics.

Hero MotoCorp has established Quality as a new and separate vertical within the

Company, with the appointment of its first-ever Chief Quality Officer in October 2020. While the Company's Quality ecosystem has matured from quality control to quality assurance over the last three decades, we now intend to take our quality management practices to the next level. Expanding the scope from product quality, Enterprise-wide Quality encompasses every aspect of an organisation's functions, including product planning, strategic orientation, human resources, finances and IT.

We have best-in-class manufacturing and sales/after-sales processes and systems in place. It is now time for Hero MotoCorp to take the next step in its journey by transforming our mindset and culture to excel in Quality in the value chain of our activities. Taking notice of the current scenario, the team held multiple interactions with all the stakeholders to understand the future of Quality at the Company.

Over the last 15 months, the Company has worked extensively on redefining the organisation's Quality roadmap, which began with rolling out the New Quality Policy in February 2021. This policy serves as the guiding principle for all our employees and stakeholders across the value chain.



Responsible business contd.

Monitoring the Cost of Quality is one of the strategic measures we intend to institutionalise across our entire business ecosystem. Currently, in the framework development stage, the Company intends to capture all the Quality cost elements in our framework to optimise the Cost of Good Quality (prototype building, testing and validation, etc.) and reduce the Cost of Poor Quality (warranty, rejection, rework, etc.).

Frequent interactions between the leadership of the Company and our value chain partners (supply chain partners, dealers, ARDs, etc.) were conducted to discuss areas of improvement and come to a mutual understanding on the way forward to ensure high-quality products and services.

Product

Vehicle Recall Policy

In line with the Government of India's directive making a mandatory Vehicle Recall regime effective from April 1, 2021, Hero MotoCorp swiftly rolled out its Vehicle Recall Policy in alignment with stakeholders across the value chain. Covering both proactive and reactive recall in its policy, the Company has established a well-defined mechanism for initiating and carrying out a recall if necessary. In addition, SIAM

and Hero MotoCorp jointly developed the government's Vehicle Recall Portal, where customers can register their complaints.

Under the current purview of the Vehicle Recall regime as defined by the government, only safety and emission-related issues/defects are covered; that is, any vehicle, component or software program that poses or is likely to pose undue risk to road safety or the environment can lead to a requirement for proactive or reactive recall by the manufacturer.

National Accreditation Board for Testing and Calibration Laboratories (NABL)-Accredited Quality Labs

The NABL is an autonomous body under the aegis of the Department of Science and Technology, Government of India, which gives accreditation to Conformity Assessment Bodies (laboratories) in the major fields of Science and Engineering that are performing tests and calibrations per ISO 17025.

Hero MotoCorp's Material Testing Labs of the New Model Centre and Supplier Quality Assurance, Gurgaon, as well as the Metrology Labs of our Dharuhera, Gurgaon and Neemrana plants, received accreditation in FY 2021-22 per the standard ISO/IEC 17025:2017 'General Requirements for the Competence of Testing and Calibration Laboratories'.

The NABL accreditation enhances calibration competency and ensures universal acceptability of the certifications provided by our labs, which provides our products greater access to both domestic and international markets.





Responsible business contd.

Embarking on the Transformation Journey – Quality 4.0

Quality 4.0 represents the future of quality and organisational excellence within Industry 4.0. It encompasses the entire supply chain – R&D, procurement, manufacturing and sales, services, after-sales and other corporate functions – from the frontline up to the administration and management levels. Quality 4.0 is a holistic, integrated, system-wide approach to managing quality results through digitalisation and data-driven analytics. The goal is to leverage the existing and incoming processes, data and available technologies to ensure quality, increase performance and yield, reduce costs and optimise supply chains by implementing analytical solutions that provide actionable insights in real time.

People

Progressing Towards a Culture of Quality

In line with its vision to 'Be the Future of Mobility', Hero MotoCorp is an ardent proponent of an enterprise-wide quality culture. The Company has set itself on a path of rediscovery in these changing times, and we intend to onboard every stakeholder across the value chain on our journey of Quality Excellence.

Focusing on Behavioural Quality, the Company has adopted a multipronged approach to sensitise every stakeholder and promote the development of a Quality culture. Initiatives including Global Quality Town Hall, Quality Champions, World Quality Month celebrations, Learning by Sharing sessions and Mentoring sessions with the Chief Quality Officer ensure:

- › Total Employee Involvement
- › Ownership and Accountability
- › Transcending Customer Expectations
- › Attitude and Mindset
- › Leveraging and Enhancing Potential

Some of the major initiatives carried out during FY 2021–22 have been captured hereunder.

Quality Champions

The Quality Champions initiative was rolled out in April 2021 to onboard and engage stakeholders across the entire value chain in the Company's journey towards Quality Excellence. After thorough diligence, highly motivated individuals with the zeal to take the Company to new heights of success were nominated by each function head and handed the responsibility of acting as Quality Champions. Bringing their functional expertise and innovative thinking to the mix, these champions are engaged in brainstorming and charting out the organisation's strategy to establish Enterprise-wide Quality under the direct guidance and close involvement of their respective function heads and the Chief Quality Officer.

Hoshin Kanri

Hoshin Kanri, also called Policy Deployment, ensures that a company's strategic goals drive progress and action at every level within the organisation. As Hero MotoCorp embarks on achieving Enterprise-wide Quality, it is essential to ensure alignment and accountability across the organisation. Hoshin Kanri is a comprehensive process with closed-loop management planning, objective deployment and review that coordinates activities to achieve the desired strategic objective. Deployed in collaboration with the Company's Quality Champions and all EMT members, the exercise is in its last stage of execution – the finalisation of Function-level Hoshins and HMCL-level Hoshin. It will soon be implemented across the Company, ensuring stakeholder alignment across the entire value chain.





Responsible business contd.

World Quality Month (November 2021)

The Company launched World Quality Month Celebrations 2021 under the Hero Quality Excellence for Sustainable Transformation (QUEST) initiative. Conceptualised by the Women in Leadership (WIL) participants from the Quality function under the guidance of the Quality Leadership Team, and executed across all the Company's locations in India, Bangladesh, Colombia and Germany, numerous activities directed at sensitisation towards Quality, improvement across the value chain and promoting healthy competition among peers were organised, including Leadership Speaks on Quality, Nukkad Natak, a Quality-themed Treasure Hunt (Q-Hunt) and What Quality Tool Am I.

Global Quality Town Hall, organised on World Quality Day (November 11, 2021), witnessed Heroes' presence across the world. The series of interactions between the leadership teams of the Company's global entities, the Quality Champions and the employees proved to be a stimulating experience for all in attendance.

Training and workshops by internal experts on topics such as Total Productive Maintenance (TPM), Hoshin Kanri, Quality Tools and Integrated Management Systems were conducted not only for the Company's employees but also for our value chain partners.

Special improvement projects/drives were conducted at our supply chain partners across the country (e.g. Millipore Week at Engine Critical Suppliers), while regional and national-level Quality Champion story competitions were organised for our dealers and their sales managers to further improve our Sales and Service ecosystem.

Keeping in mind the 2021 theme for World Quality Month – 'Sustainability: Improving our Products, People and Planet' – we used biodegradable canvas in the promotional materials for the event. Also, the gifts and prizes awarded during the event were customised, eco-friendly office supply kits made of biodegradable materials and embedded with seeds.

Learning by Sharing – Q-Buzz, Q Colloquium and Internal Training

Q-Buzz is a platform for our Heroes to share experiences, learn from others and embrace the Quality culture. The digital newsletter captures the audience's interest with engaging content such as candid interviews with leadership, Quality Nuggets, the Success Story of our Heroes and Slice of Life (wherein Heroes share their personal experiences/learnings). The Editorial Team comprises young and dynamic Heroes from Quality, driven by a passion for making a difference and a hunger to learn.

The Quality function's monthly theme-based interaction forum, titled the Quality Colloquium, is a mix of fun and learning. From sustainability to industry updates to the latest technological advancements to change management, the forum covers it all using interesting videos, presentations, games/quizzes/competitions, etc. alongside a Q&A section with our Chief Operations Officer/Chief Human Resources Officer, Michael Clarke, and Chief Quality Officer, Mahesh Kaikini. Organised by a group of creative and innovative individuals from Quality teams across all the Company's locations, the Colloquium provides a platform for employees to share their knowledge with others as well as hone their communication skills.

During FY 2021–22, many internal training sessions were conducted by experts from the Quality team, covering a wide variety of topics – product knowledge of ICEs and EVs, technical know-how and manufacturing processes, vehicle regulations, data analytics and visualisation, and many more. We intend to establish a robust internal training system within the organisation by promoting a learning culture based on sharing among employees.



Nurturing Excellence & Xcelerating Transformation

Currently the automobile industry is undergoing a big transition driven by cleaner and safety-focused regulations, ever-increasing technology and growing innovation around connected and shared mobility solutions. Awareness on sustainability is encouraging nations across the world to work towards reduction in carbon footprint, while exploring and adopting alternate-fuel technologies. Therefore, it becomes extremely crucial that we start acting fast & contribute towards the "NEXT" i.e a sustainable tomorrow.

We strongly believe in setting exemplary standards of sustainable business practices, both internally within the organisation, as well as in external engagements.

The purpose of the Hero NEXT framework is to inspire the entire HMCL ecosystem while nurturing excellence and accelerating sustainable transformation.



Responsible business contd.

Customer Satisfaction

Product safety and quality, which are key elements of the overall customer experience, are among the most material topics for Hero MotoCorp and our stakeholders. We also understand that differences within and across markets, such as geography, culture, individual preferences and driving experiences, impact our products and offerings, support and services. With this in mind, we focus on creating a positive customer experience and ensuring customer satisfaction throughout the purchasing and ownership process.

Hero MotoCorp understands that technology and changing customer sentiments and expectations are the key enablers that affect how we interact with customers. To continue to build loyalty

among our existing base and appeal to potential new customers, we also focus on providing convenient communication channels and positive experiences. Our dealer network represents the primary face-to-face connection with customers, and Hero MotoCorp has worked with members of the network to help them update sales and service processes that accommodate our Company's brand values as well as local requirements and various customer needs. Measures have been implemented to improve processes, customer service standards and service quality. Customer experiences are monitored on a market basis through surveys that provide insight into customer advocacy and satisfaction. Results are integrated into dealer processes, customer connections and training programmes.



Actions on customer service quality standards:

- › Upgradation of technical skills through product-specific technical training programmes
- › Regular technical training conducted at the Learning Centres on new and existing products

Customer-centric approach:

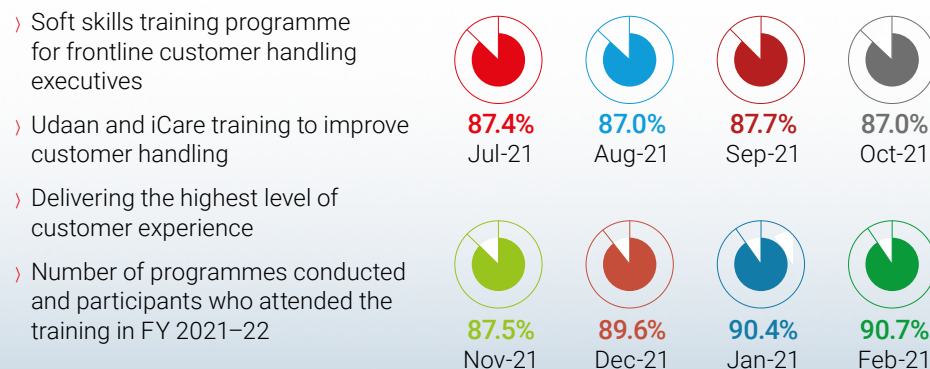
- › Soft skills training programme for frontline customer handling executives

- › Udaan and iCare training to improve customer handling

Customer retention and satisfaction:

- › Festive season-linked win-back programmes for customer retention in Service
- › 4.3 lakh customers recovered through win-back programmes with special service offers

Customer Satisfaction Score Trend (out of 100):





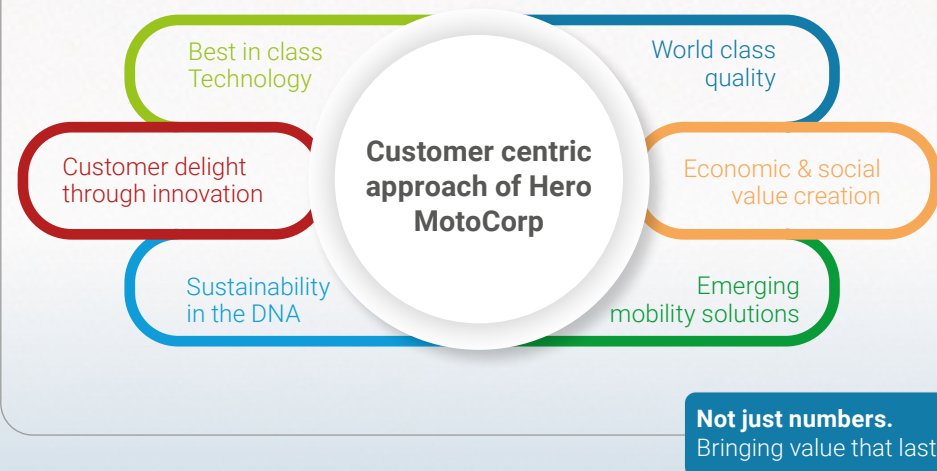
Responsible business contd.

Customer grievance capture, review and redressal mechanisms at dealerships:

- › All customer requests are captured into the central Dealer Management Software (Hero Connect)
- › Basis the customer request – relevant jobs are carried out against the same
- › Customer grievances are recorded into the Dealer Management System, which has a loop-closing mechanism and transparency for the customer's satisfaction

The Company continues to set global benchmarks and achieve and sustain leadership in Quality while creating a sustainable future. We are committed to achieving excellence through designing and developing tech-laden and market-relevant products, assuring end-to-end quality throughout the design, manufacturing and after-sales phases.

Driven by processes.
Committed to integrity.



Super Oga Campaign

As part of strengthening the footprint in Nigeria, Hero MotoCorp congratulated the winners of the first-of-its-kind 'Hero Hunter Super Oga' motorcycle campaign. Showcasing the superior capability and endurance of the Hero Hunter, 100 participants clocked over 2.7 million km in a mere 60 days of the campaign. The first season of Super Oga saw seven winners, who clocked more than 29,000 km each. Three of these winners each rode away with seven Hero Hunter motorcycles, while the other four winners each received four Hero Hunter motorcycles. The other 86 participants were awarded the motorcycles on which they participated.

The Super Oga competition started in December 2021 in five states of Nigeria – Oyo, Ondo, Ekiti, Kwara and Gombe – with 20 contestants per state. Each Hero Hunter motorcycle was fitted with a GPS device to capture real-time information on the distance and location of the riders.

Super Oga provided an opportunity for the participants to become self-reliant and created employment opportunities in Nigeria. Aligned with Hero MotoCorp's focus on D&I, a female participant, Jumoke Fadoju, participated in the campaign, completed 12,238 km, and was awarded a Hero Hunter motorcycle.



Responsible business contd.

Emerging Mobility Solutions



In line with its Vision to 'Be the Future of Mobility', Hero MotoCorp has crafted a plan to selectively capture, accelerate and scale-up new businesses and to develop the necessary competencies and capabilities.

Our Company is accelerating efforts to secure a high-quality desirable sustainable product and service portfolio, leveraging new and well-known technologies, partnerships and digital innovation to improve electromobility solutions.

Product Innovation

Hero MotoCorp's CIT and the HTCG are focused on developing new vehicle concepts and future technologies.

Industry leaders can no longer focus on expansions and trends in their sectors alone; they need to examine transformations and disruptions across the entire ecosystem of suppliers, consumers and international markets. Technological advancements can help solve social and ecological problems. They are exciting and challenge the whole community of customers, workers, administrators, policymakers and regulators in an impactful manner. Technological modernisations are expected to positively influence the diffusion of social innovation.

A digital ecosystem with online product availability, integrated value chains for efficient demand fulfilment and smart manufacturing setups are helping improve efficiency. Digitalisation is a useful tool for consumption prediction, resource consumption analysis and failure prediction. Digital interventions in the forms of virtual meetings and Google Lens have not only reduced the stress of

travelling but are significant contributors to carbon reduction.

Innovatively transforming traditional manufacturing into 'smart' manufacturing using cyber-physical systems yields significant results. In today's highly competitive market, digitalisation maximises value to the end customer while also supporting sustainable development – it is thus helping us accelerate the implementation of sustainability.



Responsible business contd.

Hero Hatch

Hero Hatch was launched as an internal incubation centre to foster innovation within the organisation. As part of Hero Hatch, teams can experiment with new business models, services and business streams while isolating. The model provides autonomy, flexibility and opportunities to report directly to the leadership team.

Hero Hatch teams are doing fantastic work on electric mobility, pre-owned vehicles and vehicle sharing. Below are some examples of the work plans:

› **Vehicle customisation:** The team will be expected to understand customers' requirements, work on designing and

customisation concepts, and finalise the execution format while working cohesively with accessory teams and other roles to ensure compliance and reliability. It will be an agile internal unit to cater to demands unsuitable for mass production while looking after demand forecast, CapEx, regulatory requirements and logistics.

› **Automotive digital space:** While digitisation has been on the rise for some time now, the need for digital business is even more evident today. The project aims to capture business opportunities within the digital space to engage customers in the automotive sector and create a sustainable business model.



Hero CoLabs – The Design Challenge

Hero MotoCorp has launched a new challenge on the Hero CoLabs platform. The eXperience Challenge focuses on building a new retail experience for Hero MotoCorp customers and has provided an ideal platform for architects, interior designers and enthusiasts to translate their vision into reality and showcase their technical skills, creativity and design ability.

Aligned with Hero MotoCorp's Vision to 'Be the Future of Mobility', the eXperience Challenge aims to curate a new retail approach in the Company's business operations in India and internationally. As part of the challenge, participants will be required to showcase their vision for a next-gen sales and after-sales customer

experience, catering to Hero MotoCorp's new innovative and exciting products and mobility solutions. This new retail experience will co-exist with the current sales network of the Company. Kicking off the journey was 'The App Challenge', which provided an opportunity for budding programmers, developers, students, fans and professionals to showcase their technical, creative and design skills. Hero CoLabs aims to inspire young people across the world to hone their skills as well as to propagate a spirit of collaboration. The winning designs/ideas are also put into production for real-world use.





Responsible business contd.

Data Privacy

Data privacy and cybersecurity are high priorities for Hero MotoCorp. The Company has a cross-functional team of professionals focused on safeguarding the cybersecurity of our corporate systems and processes through activities such as threat monitoring, design enhancements and vulnerability testing.

Hero MotoCorp recognises that the personal or sensitive data provided to the Company by its customers, value chain partners and employees is its

most valuable asset, and the safety of that data is paramount.

Various policies and security mechanisms are in place to keep a watchful eye on the technology landscape and help the Company prevent, detect and solve security issues and information breaches, thus ensuring cyber resilience.

Hero MotoCorp's dedicated cybersecurity management approach is based on:

1. Thorough analysis of the threats of exposure of vital company assets that must be protected
2. Implementing policies and procedures to reduce the risk of attack in the event of a security breach
3. Implementing plans and procedures to neutralise threats and security issues

The Company has business continuity/contingency plans and

incident response procedures for managing cybersecurity and data privacy issues, and a mechanism to collect information on data breaches. As part of the commitment to becoming a cyber resilient organisation, cybersecurity is reviewed by the Risk Management Committee, and periodic business impact analyses are carried out. The Company also has a robust disaster recovery plan to tackle any threat or breach.



Keeping stakeholder's data safe & secure.
In everything we do.



Responsible business contd.

Hero MotoCorp consistently informs its stakeholders on privacy protection issues and updates them regarding the available security protocols. Some of the initiatives undertaken are:

S.No.	Initiatives Undertaken	Key Objective	Progress
1.	Use cyberintelligence to anticipate new risks	Brand protection and identification of zero-day cyber attacks	Ongoing and continuous monitoring
2.	Internal and external audits to identify risks and non-compliance	To check compliance with standards and regulations (ISO 27001, General Data Protection Regulation [GDPR]/Local Privacy Regulations and IT Act) and identify vulnerabilities in the externally exposed infrastructure	Internal audit conducted in Q2 and external audit conducted in Q3
3.	Hack ourselves to discover and address new vulnerabilities (Applications, Active Directory, etc.)	To identify vulnerabilities in the risk universe of the organisation	Ongoing/continuous activity
4.	Educate teams to better detect and react to cyberthreats (awareness sessions)	To educate employees and external contractors/third parties using technology	Ongoing/continuous activity
5.	Insulate with additional network protection in our critical infrastructure (Data Centre, factories)	Mitigation of potential risks arising from convergence of OT to IT landscape	Secure IT/OT integration implemented for one location and planning in progress for another location

S.No.	Initiatives Undertaken	Key Objective	Progress
6.	Focus on critical assets (main target of ransomware attacks)	Mitigation of risks caused to the organisation by obsolete technology	Removal of obsolete technology is in progress. Ransomware assessment planned for Q1 FY 2022–23
7.	Optimise monitoring of cybersecurity attacks by leveraging Security Operations Centre and Use technologies (AI, sensors) to improve detection	Address need to upgrade existing technology in the context of exponential growth in modern-day cyberattacks	Enhancement for Next-Generation security monitoring planned for Q2 FY 2022–23
8.	Cyber insurance	Be prepared to meet financial obligations due to any data breach	Yearly activity, executed in Q4
9.	Regular hygiene check	To maintain equilibrium with the current and expected state of the cyberuniverse	Ongoing/continuous activity
10.	IS governance and implementation	To evaluate processes' effectiveness and efficiency	Planned Q1–Q3 2022–23

Hero MotoCorp has also onboarded its first-ever female Chief Information and Digital Officer to lead the technology-driven business transformation. She will further strengthen the Company's initiatives in cyberspace, across domains including IT-related infrastructure, digital enablement strategic planning, aligning cyber strategies, data privacy and cybersecurity.



Responsible business contd.

Value Chain Sustainability

In today's economy, companies must increasingly compete for customers and resources. Consumer interests and resource scarcity are thus changing how business is conducted. To stay relevant and competitive, Hero MotoCorp believes that companies need to look beyond their internal operations and consider opportunities to de-risk and increase efficiency across their entire value chain.

Synergy with our Company's value chain is a key element to our sustainable performance and supports the way we serve our other stakeholders. Our focus on good partner relationships includes engaging with them in various ways and via a range of platforms.

To ensure a consistent and comprehensive approach across business units, we have articulated the Sustainable Procurement Guidelines, GPDP and many more. We have a process that identifies suppliers as 'critical suppliers' based on high volume, critical and non-substitutable components.

Critical Supplier Identification

Hero MotoCorp has defined a process whereby high volume/single-source and non-substitutable suppliers are identified and classified as critical suppliers. Multi-sourcing plans are also in place for essential technology components and

are managed using de-risking strategies like the Plan for Every Part (PFEP) programme.

Safety Audit and Training

As a part of the de-risking drive of our Company's supply chain partners, we arranged a fire and safety audit by an external certified auditor for supply chain partners selected based on criticality of process, dependability and critical hazardous chemical/waste handling. This year we widened our safety activities scope to the deeper supply chain partners and dealers. Safety assessment were done at suppliers covering aspects Safety Systems, Fire Safety, Electrical Safety, process safety. Countermeasures taken by suppliers based on findings were re-audited to confirm effectiveness of countermeasures. So far we have completed safety assessment of more 70 direct supplier and 10 Tier deeper supply chain partners. Similar Safety assessment approach for dealer partners where training and awareness sessions are conducted for dealers partners in phased manner. We also organised safety training workshops across all the zonal offices in India to sensitise the dealer partners on Fire and Safety issues. The workshop focused on establishing a structured safety management system within the dealerships.

Green Partner Development Programme

The GPDP encourages a collaborative effort between Hero MotoCorp and our suppliers and dealers to achieve our overall corporate sustainability goals. The objectives of GPDP are:

- › De-risking the supply chain, upgradation by knowledge sharing and expanding the horizons of environmental practices among the supply chain partners
- › A collaborative approach to conserve and protect the environment to meet our societal commitment

- › Better business sustainability and improved vision for the challenges ahead

The initiative is carried out through Environmental Aspects Reduction Network (EARN) programmes under the six pillars of Energy Management, Water Management, Waste Management, Pollution Prevention, Substitution of Hazardous Chemicals and Environmental Compliance.

Supply chain partners are given specific training on all six pillars of the GPDP, and mapping of processes/equipment is carried out based on logical analysis to identify gaps or significant environmental and safety issues, and improvement projects are undertaken accordingly.





Responsible business contd.

From Green to Sustainable

Hero MotoCorp continuously strives for synergy between the environment, equity and economy by providing products and services that meet our customers' quality, performance and aspirational expectations. While doing so, we practice the highest standards of corporate governance and maintain our dedication to our ethical principles and societal responsibilities. Our strategy is driven and supported by a powerful commitment to developing efficient solutions that are designed, manufactured and delivered sustainably and ethically.

The automobile industry is undergoing a significant transition driven by cleaner, safety-focused regulations, and ever-increasing technological innovation focused on connected and shared mobility solutions. Sustainability concerns are encouraging nations worldwide to work towards a reduction in their carbon footprint while exploring and adopting alternate-fuel technologies. Hero MotoCorp is committed to a progressive transformation of society through our efforts towards education, health and hygiene, skill development, and protecting the environment.

As responsible corporate citizens, our Company's endeavours are based on the abiding principles of transparency, responsibility, accountability and ethical conduct, taking inspiration from the organisation's core values and mission.

Sustainability is in the DNA of Hero MotoCorp, and we incorporate ESG considerations in all our processes. The seeds of our sustainability focus were sown by our founder and Chairman Emeritus, the late Dr. Brijmohan Lall Munjal. Our sustainability strategy is to cover the end-to-end value chain, not limiting ourselves to the boundaries of our facilities, but impacting all stakeholders, including the end users of our products.

Our Company strongly believes in setting exemplary standards of sustainable business practices, both within the organisation and in external engagements. The importance of sustainability in a value chain extends beyond 'going green'. Our sustainability programme will help us create a sustainable value chain, focused not only on reducing our environmental impact but also ensuring a robust governance structure and social contributions to creating an inclusive and equitable atmosphere for stakeholders in the ecosystem. Key benefits of the programme are:

- Improved environmental footprint
- Strengthened business continuity
- Scale-up in market reputation
- Improved social connections with stakeholders

With this background, Hero MotoCorp is dedicated to driving sustainability across the value chain and has thus formulated a

handbook, which acts as a ready reckoner to support all our supply and value chain partners in adopting a sustainability methodology.

Sustainable Partner Development Programme (SPDP) Charter

As a responsible corporate citizen, Hero MotoCorp believes that business can be conducted sustainably without compromising the needs of society and future generations, not only within our Company but by encouraging our entire value chain to adopt similar sustainability strategies. Expanding the horizons of our sustainability practices, we are launching a SPDP in collaboration with our value chain partners, based on the following guidelines:

- › Foster a customer-centric culture to cater to futuristic needs and aspirations at a competitive level
- › Establish the climate action plan and set targets in the areas of carbon, water, energy and waste generation, adopting pollution prevention strategies to improve overall environmental footprints
- › Institutionalise a tool for effective governance, compliance management and ethical business conduct within the business and their respective value chain
- › Establish a social welfare framework to address critical issues such as safety, D&I, talent management, human rights

and engagement with society, including their value chain and deeper supply chain.

- › Develop strategies and framework for public disclosures and reporting mechanisms

This SPDP initiative will help Hero MotoCorp accomplish our sustainability aspirations by effectively deploying a monitoring mechanism and strengthening the value chain partners' brand images and reputations as sustainable organisations. The programme will build a cadre of value chain partners with minimised business risks, thereby ensuring business continuity of the entire value chain.

The SPDP aims to achieve the following objectives:

1. De-risk and re-calibrate business strategy from an ESG lens through due diligence and exploring opportunities
2. Achieve business resilience (the ability to resist, withstand and recover from sudden disruptions)
3. Fostering a spirit of collective action for people and the planet
4. Adopt next practices and source responsibly (refer to sustainable procurement guidelines)
5. Drive performance by facilitating the Company to achieve goals through mutual buy-ins



Responsible business contd.

Sustainable Procurement

Hero MotoCorp is committed to the sustainable growth of its value chain. Sustainability factors are one of the key elements in partner evaluation methodology.

The Company envisages that our value chain partners will not only implement the necessary guidelines and procedures within their own operations, but will also monitor their supply chains to ensure commitment to ESG and Quality parameters.

- › Create awareness of Hero MotoCorp's Sustainability, Environment, OHS and CSR Policies and practices.
- › Ensure fairness, transparency and ethical conduct in business dealings and encourage adherence to norms relating to anti-corruption and anti-competitive behaviour.
- › Safeguard Hero MotoCorp's intellectual property and respect the privacy and confidentiality of its internal and external customers.
- › Adhere to leading ESG and quality management standards, including Hero MotoCorp's sustainable procurement guidelines.
- › Encourage partners to reduce hazardous wastes, logistics footprints, wasteful packaging, greenhouse gas (GHG) emissions, and virgin material and water consumption.

- › Create a culture of trust between workers and management and develop a work culture to promote human rights.
- › Embrace the principles of CSR and establish themselves as responsible corporate citizens.

Managing Environmental, Social and Governance (ESG) Risks in the Supply Chain

Hero MotoCorp strives to implement strategies that manage both regular and exceptional risks along the supply chain throughout its many tiers. We believe that it is critical to understand supplier profiles at lower-tier levels to ensure a complete risk assessment and response to potential supply disruptions. We are working towards developing tools/mechanisms that support supply chain mapping as an important focus area for ensuring business continuity and resilience in the value chain ecosystem.

Our Company's supply chain risk management approach focuses on analysing and mitigating business interruption risks and promoting the sustainability of the supply chain ecosystem through a structured evaluation process consisting of supplier risk identification, quantification, mapping and solutions.

We are working consistently with our supplier partners towards identifying sustainability risks and suitable mitigation measures. Mitigation initiatives undertaken include:

- › PFEP – De-risking the Company against financial stress, non-upgradation to new technology and unforeseen factors through multi-sourcing. The Company develops alternate sources to avoid production loss and supply chain disruptions and to optimise logistics, and supports suppliers in minimising these risks in their value chain.
- › Hero Supplier TPM – An initiative targeted towards the upgradation of suppliers to create a culture of continuous improvements in a sustainable way. Through the Supplier Excellence Programme, the focus is to improve reliability, efficiency and cost management in the value chain.
- › GPDP – The Company is leveraging industry experts to upgrade the supply chain to be future-ready by identifying the potential ESG risks through audits and ensuring timely closures to mitigate any business risk.

- › Periodic visits of the Company's authorised persons at the supplier base to ensure compliance is met. ESG risks are addressed and comprehensive due diligence on ESG parameters is carried out for new supplier onboarding.
- › Hero MotoCorp conducts frequent discussions and meetings with suppliers for their development. Team knowledge and capability enhancement are carried out at each supplier end by ensuring improved accountability at the Function Head level to sustain and improve performance. The Company also conducts Joint Guidance Co-Sharing cluster meetings. We aim to benchmark best practices worldwide for business sustainability and sensitise our partner organisations about their impact on a global level.
- › Hero MotoCorp is working to ensure that it does not procure any part or component made from materials originating from conflict regions. To achieve this, the Company has made it a goal to screen all parts and components using the International Material Database System (IMDS).



Responsible business contd.

Customer-centric Efforts and Steering Growth

Hero MotoCorp is focusing on capturing emerging opportunities in the mobility area, and with this intent, it is necessary to re-calibrate the Growth division to consolidate leadership. The key to leveraging these opportunities is developing synergies between the key customer-facing functions – Marketing, and Sales and After-sales. This has led to the inception and appointment of a targeted, focused position and integrated function for creating a new growth trajectory, including onboarding a Chief Growth Officer for the first time.

Dealers and distributors are our Company's last mile of connectivity with our customers. Engaging with them helps us understand their needs as well as effectively communicate our views to them.

Customer satisfaction is met by amalgamating our Customer Relationship Management and Dealer Management System (CRM-DMS). Our Company's overall Quality policy provides our guiding approach towards customer service. It is vital to understand customers' expectations, and thus an ongoing dialogue with them is maintained through various initiatives. This helps us make advances in the quality of the products we develop.

Hero MotoCorp continues to undertake studies through a third-party research agency to measure customer satisfaction

with our sales process, service process and the new products launched during FY 2021-22, and to benchmark against the competition. In addition, we are continually conducting brand track studies to gauge the health of the product brands as well as our corporate brand with respect to the competition. Acceptor-rejecter studies are carried out on need basis to complement the above research. We carry out these exercises periodically to benchmark and understand customer behaviour on a measurable platform called the Customer Satisfaction Index. The results of this index act as an enabler to reassess our current sales, marketing, communication, service and customer outreach strategies, both locally and globally.

We monitor and set targets to improve satisfaction, and we communicate our results. We have a Quality Management System to ensure that external product distribution networks comply with defined quality standards. The system comprises the following:

- › Customer service quality standards documentation
- › Regular customer service quality management workshops
- › Formal training programmes for the sales and distribution networks
- › Regular audits of sales and distribution networks

Customer Satisfaction Related to Service:

- › Close to 50,000 customers are contacted every month for feedback on their service experience
- › A Dealer-wise Satisfaction Score out of 100 is derived. The Net Promoter Score (NPS) is also calculated. The Dealer-wise Satisfaction Score was 90.7, and the NPS was 66.4.

Intensifying the 'Digital First' Approach

Further strengthening our industry-leading digital initiatives for enhanced customer experience, Hero MotoCorp has launched an integrated online sales platform – eSHOP. eSHOP enables a completely digital seamless buying experience for our customers. All relevant purchase-related information and actions are built into the system, allowing customers to purchase their preferred motorcycle or scooter directly from our Company's website via an easy and transparent process.

Customers can pre-book their service appointment at their nearest workshop using the Hero App. They can also avoid paperwork at the workshops by raising their service job card and receiving a digital acknowledgment.

24/7 Roadside Assistance

In keeping with its highly customer-centric approach, Hero MotoCorp has introduced the 24/7 Roadside Assistance (RSA) programme for our valued customers.

The RSA programme provides round-the-clock assistance to customers all across India.

The RSA programme offers customers the following benefits:

- › On-call Support
- › On-the-spot Repairs
- › Tow to the nearest Hero Workshop
- › Fuel Delivery in case of fuel run-out
- › Flat tyre support
- › Battery Jump Start
- › Accident Assistance (On Demand)
- › Key Retrieval Support



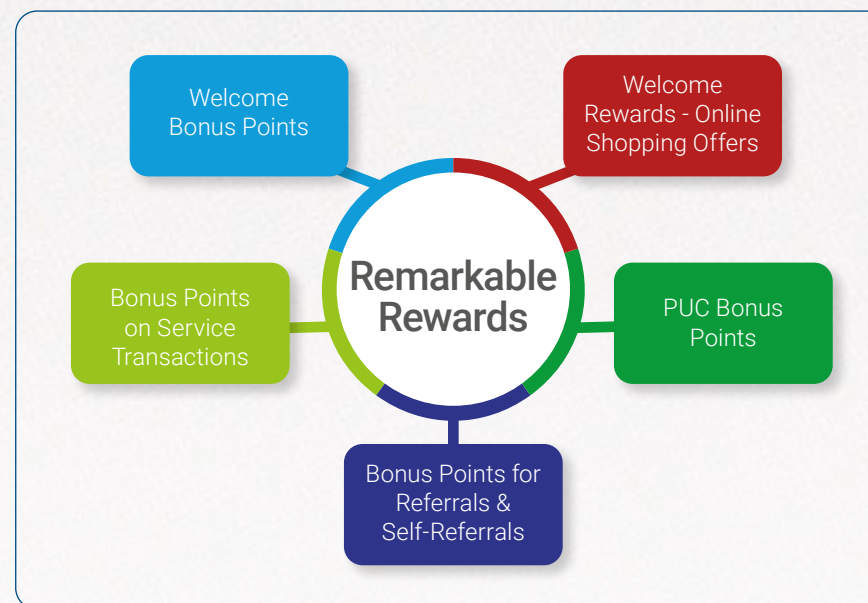
Responsible business contd.

GoodLife Loyalty Programme

GoodLife is a loyalty programme for Hero Customers that has been established for two decades. The programme has evolved over the decades and is now one - of - its kind in the industry, attracting lakhs of member enrolments annually. Since its inception, it has developed from strength to strength, with a cumulative total of several crore members.



Combining the principles of 'Remarkable Rewards, Striking Benefits, Priceless Privileges, Extraordinary Experiences and Digitally Yours' has strengthened the value proposition upon which the new Digital GoodLife is based.



Extraordinary Customer Experiences





Responsible business contd.

Xtracks – Living the Thrill

During FY 2021–22, Hero MotoCorp launched a new season of Xtracks with Xpulse 200 4V. Through Xtracks, we provide our customers/prospects with one-of-a-kind opportunities for adventure seekers to experience the Xpulse 200 4V lifestyle in its purest form. Riders can feel the real thrill and adrenaline on our specially curated tracks amid nature and wild landscapes. Being a responsible organisation, customer safety is our Company's topmost priority. We ensure this by imparting expert training and personalised attention to riders to help them prepare their bikes and learn techniques to conquer the track. On the dirt track, riders experience first-hand the suspension, handling and rally DNA of our Xpulse 200 4V. We have delivered these events in various locations, including Dehradun, Guwahati and Agartala, and we received an overwhelming response at each location.

Excitement in MotoSports

Driven by passion and the spirit of adventure, Hero MotoSports is a cross-functional team of experts who are passionate about racing and are fond of taking up new challenges and thriving through them. The team was created in 2016 to test our technology in the world's most challenging and inhospitable terrains.

Hero MotoSports is headquartered at the Global CIT and closely collaborates with our HTCG. In just under six years, the team has witnessed a meteoric rise owing to their powerful and gritty performances, quickly becoming a force to be reckoned with in the international rally sport. The team also enjoys the proud distinction of being the only Indian team to have

participated in six Dakar Rallies, completing five of them with impressive results. Dakar 2022 will go down in history as the edition that saw an Indian manufacturer win a stage in the world's toughest rally for the first time! With one stage win and one stage Podium, this was Hero MotoSport's best performance at the Dakar Rally so far. The team participated in multiple races throughout the year, constantly upgrading their machines and reaching the top positions. At the Abu Dhabi Desert Challenge 2022, two of our riders finished in the top ten. Coming off a strong result at the Dakshin Dare, the Hero MotoSports National Team was back in action at the SJOBA Rally 2022, Chandigarh, and

achieved a podium finish. Hero MotoCorp was also the primary sponsor of the 2022 edition of the SJOBA Rally. Hero MotoSports won the FMSCI Indian National Rally Sprint Championship 2021, and our rider Yuva Kumar won the stock and modified classes.

Our 'Rally Life Navigator' is an interactive virtual platform that introduces rally enthusiasts to navigation, a key skill required in rally sport. The initiative includes videos and competitions that allow participants to learn basic road-book skills while digitally exploring the popular global rally destinations from the safety of their homes.





Responsible business contd.

Business Continuity Plan

When catastrophic events cause major disruptions, managing business and returning to normal operation schedules requires robust planning, due diligence, a pragmatic approach, updates and feedback along with discipline.

These potential disruptive events include natural disasters, pandemics, facility issues, cyberattacks or unforeseen issues within our value chain. Hero MotoCorp's business continuity management model is a structured and disciplined mechanism for reducing the likelihood and severity of disruptions and reducing recovery time in any such event. The business continuity management process has the following elements:

1. Each plant's critical production processes are mapped to key inputs, including facility infrastructure, processing equipment, data technology, human resources and suppliers.
2. Data recovery strategies are documented and are made available to vital employees, and knowledge can be shared across business units and plants on need basis.

3. Extensive due diligence is carried out periodically to identify plant interrelationships and the resultant financial impact of each plant, as well as the individual vehicle or component lines within each plant.
4. Workforce Health and Safety concerns are the topmost priority on normal days and even in the case of disruptive events.

Our business continuity plan is a systematic approach developed to collate information and document necessary protocols required for business recovery and ramping up, keeping the safety and well-being of the stakeholders intact. A flexible approach allows each plant to develop a situation-specific response plan. Elements of the plan are tested periodically through various simulation exercises. The results and priorities of the business continuity management process are reviewed regularly by the Board.





Social Inclusion

Every day, everything we do at Hero MotoCorp starts with our employees and how they contribute to our business, customers and communities worldwide. Employees with diverse skills, talent, perspectives and backgrounds create value for stakeholders inside and outside the Company.

We strive to provide a rewarding and safe working environment that values innovation and enables employees to collaborate in ways that transform differences into strengths, breaking down geographic and cultural barriers and establishing mutual buy-ins in meeting professional commitments and personal aspirations.

At Hero MotoCorp, we reinforce value-based leadership – all members of our talented workforce are empowered to upskill and take action within the professional conduct of the Company.





Social inclusion contd.

Health, Safety and Well-being

Hero MotoCorp recognises that each employee is a valuable asset to the organisation. We aggressively carry out measures designed to provide a safe, pleasant and healthy workplace environment.

The previous two years have seen a public health crisis, with the worldwide spread of the COVID-19 outbreak posing an unprecedented threat. As a responsible and caring corporate citizen, the health, safety and well-being of all employees and their families remained the Company's top priority. We were deeply mindful of the concerns around COVID-19. All employees have been reassured of the Company's commitment and unstinted support in doing whatever is needed to ensure their safety and well-being.

All units of Hero MotoCorp are operated under certified OHS Management systems according to ISO 45001. The Company is complying with all the applicable Health and Safety regulations. The Company has defined Safety standards that are more stringent than the prescribed legislative norms. Various Health and Safety KPIs are defined specifically to reduce safety-related incidents and are tracked and monitored every month.

The OHS Management systems policies apply to all employees.

The Company undertakes various activities to improve health and safety, including safety audits through internal and external experts and providing employee training on topics such as behavioural-based safety, fire safety and process safety.

The Company employs concerted efforts to prevent accidents or mishaps that may lead to lost workdays, bodily injuries or fatalities. The Company is further involved in proactive measures designed to eliminate potentially dangerous workplace behaviours and situations that may be hazardous to employees.





Social inclusion contd.

Health and Wellness Initiatives

The health, safety and well-being of our employees have always been the topmost priorities for Hero MotoCorp. The Company has established an excellent health and wellness management system to support and ensure the overall well-being of our workforce. We have created and implemented programmes and policies by incorporating world-class best practices for ensuring a safe, healthy workplace and

related compliance management systems. These policy programmes have been designed to help prevent physical (including occupational), mental and psychological health issues and to improve employees' overall well-being.

Our Company's OHS policy ensures health and wellness are incorporated into our business strategy. The cross-functional TPM committee safeguards the pillars of safe work, a healthy workforce and

increased productivity. We provide employees with personal health resources, good physical, mental and psychological work environments, and opportunities for involvement in community services.

All our Company's manufacturing units are certified with ISO 45001 (International OHS Management System and Standards), and we strive to implement best practices in OHS management.

We introduced additional initiatives specific to COVID-19 during FY 2021–22.

Below are some of the major initiatives:

- › A 24/7 call centre was set up to provide employees with information on various support services.
- › Additional doctors and nursing staff were hired to support employees.
- › Special collaborations with hospitals for employees.
- › Oxygen concentrators were provided to employees and their family members through an in-house-developed mobile app system.
- › We provided support to employees by offering them medication and other necessary materials for treating COVID-19, sourced from a reliable organisation.
- › As part of our community service, we provided oxygen support to hospitals/nursing homes who were suffering from shortages.





Social inclusion contd.

New special policies for employees related to COVID-19 support:

- › Unlimited sick leave policy
- › Family care leave policy
- › Additional Mediclaim coverage for hospitalisation related to COVID-19 illness.
- › Financial support for home treatment expenses to COVID-19 infected employees, or to a dependent family member, for those who were not hospitalised.
- › Financial grants/support for home office setup.
- › COVID-19 vaccination – More than 99% of employees are vaccinated. We organised several free vaccination camps to cover all employees.
- › A special financial assistance policy to support the families of employees who died due to COVID-19.
- › Multiple healthcare service provider options for unlimited free online medical teleconsultation available to all 32,000 personnel and their family members.
- › Professional mental health counselling services available 24/7 through reputed external providers to support the mental wellness of employees and family members.
- › Regular support for employees regarding their health emergencies and routine medical issues.

- › Regular webinars on mental wellness and anxiety control, led by external experts.
- › Online stress management, yoga, laughter yoga and meditation sessions arranged regularly under the Yes Heroes Can initiative.
- › Regular email bulletins sent to employees on mental well-being and COVID-19 prevention.
- › Interactive sessions for employees, family members, vendors, suppliers, etc. to alleviate COVID-19 anxiety. Regular webinars for awareness on organisational initiatives, COVID-19 prevention, immunity-boosting tips, etc.

The Company's senior leadership regularly communicated with employees and remained committed to ensuring safety at the workplace.

After lockdown during the second wave of the pandemic, a restart of operations was carried out after ensuring all necessary health and safety measures had been implemented at the workplace. Nineteen related policies, procedures, guidelines, protocols and standard operating procedures (SOPs) were regularly reviewed, given the changing situation and requirements for compliance with government and local health authorities' guidelines.

The Company has implemented the Food Safety and Standards Authority of India (FSSAI) Orange Book guidelines in our cafeterias/canteens to ensure safe, hygienic and nutritious food for the workforce.

Ergonomic interventions have been completed at new manufacturing plants by introducing anti-fatigue mats on assembly lines to reduce work-related fatigue and musculoskeletal discomfort.





Social inclusion contd.

Occupational Health Services

The Company has established an excellent Health and Wellness management system to support and ensure the overall well-being of our workforce. We have created and implemented programmes and policies by incorporating world-class best practices for ensuring a healthy and safe workplace and related compliance management system. These policies and programmes have been designed to prevent physical (including occupational), mental and psychosocial health issues and improve employees' overall well-being.

Our OHS policy ensures health and wellness are incorporated into our Company's business strategy. The cross-functional TPM committee safeguards the pillars of safe work, a healthy workforce and increased productivity. The Company provides employees with personal health resources, a good physical, mental and psychosocial work environment and an opportunity for involvement in community services.

All our manufacturing units are certified with ISO 45001 (International OHS Management System and Standards), and we try to implement best practices in OHS management.

COVID-19 Specific Initiatives During FY 2021–22

During the second COVID-19 wave, from April to May 2021, the Company provided physical, mental, psychosocial and emotional support to employees and family members.

Regular Activities:

- › Advisory on COVID-19 pandemic for employees for prevention and control, with precautionary measures planned and implemented accordingly
- › Tracking of active COVID-19 affected employees and extension of medical support services
- › Extension of medical support to the community during the COVID-19 pandemic
- › Specialist clinics and outpatient departments for employees and their dependents, covering multiple medical specialities
- › Providing free online healthcare consultations to all permanent and temporary employees and their family members
- › Employee Assistance Programme (EAP) for confidential mental health support and counselling services for employees and family members
- › In line with the preventive health check-up policy, providing a regular health check-

up facility through external partners for all employees, with options for family members to use the facility at highly discounted prices, is proposed

- › Subsidised immunisation services (e.g. influenza, hepatitis, typhoid) for employees and dependents
- › Talks on specific health-related topics and free health screening camps for employees and families on various WHO and national health days (e.g. World Cancer Day, World Kidney Day)
- › Health check-up camps for the community (e.g. cataract screening camp through AIIMS Delhi)
- › D&I focus, with medical outpatient departments on gynaecology for female employees
- › Regular fitness contests for employees at all locations
- › Advisory programme offering dietary guidelines through a dietitian for employees and families
- › Well-structured Mediclaim facilities for employees and dependents with cashless inpatient departments at empanelled hospitals on the Pan India Network
- › Medical coverage through the emergency severity index (ESI) applicable for employees in contractual roles (and their dependents)
- › Regular sessions on stress management, yoga and meditation for employees and dependents
- › Extension of medical teleservices through wellness service partners, including consultation and EAP services
- › Regular email bulletins, health tips and advisories for employees
- › General outpatient department services and around-the-clock pharmacy services for employees through the Occupational Health Centre
- › Specialised diagnostic services (in-house) for employees through the Occupational Health Centre, including haematology, biochemistry, ELISA analysis, urine sample testing, ECG, bone mineral densitometry, ankle-brachial pressure index, BMI monitoring, vital sign monitoring
- › Provision of ambulance services to sick/injured non-ambulatory employees and dependents for admission at hospitals
- › Policy, guidelines and SOPs have been identified and defined to provide non-occupational medical services
- › The Company facilitates access to non-occupational medical services through detailed communication to employees (email bulletins, notice board displays) and alternate modules (online mode for clinics, training, health talks)



Social inclusion contd.

Key Highlights of the Occupational Health Management System and Activities at Hero MotoCorp:

- › Hazard Identification and Risk Assessment (HIRA) mapping and Context, Issues Identification, Risk and Opportunity Analysis (CIRA) of hazardous job processes and the employees involved; periodic occupational health check-ups are planned and implemented according to the HIRA and CIRA as part of statutory health check-ups.
- › The guiding document for occupational health checks is in line with our organisation's Occupational Health Services Management System (OH Manual), designed according to the Indian Factories Act 1948, OHSAS 18001, ISO 45001 and FSSAI.
- › Periodic occupational health surveillance and workplace audits, work environment, ergonomics and industrial hygiene are carried out by location medical teams.
- › Periodic medical check-ups are carried out in-house, with specific tests identified per risk assessment of employees working in different departments exposed to various occupational health hazards. Most of these tests are conducted using in-house equipment – spirometers, audiometers, vision testers, peak flow meters, etc.
- › A pre-employment medical check-up is conducted according to statutory and non-statutory requirements aligned with each employee's job requirements.
- › Health assessment for return to work is carried out prior to re-joining. A medical fitness certificate is verified, validated and maintained on record.
- › General health examinations as follow-up checks are advised for those with adverse medical reports on occupational health check-ups.
- › End-of-service health examinations are presently not being carried out, but a policy is being planned for implementation.
- › Workers' access to occupational health services is ensured by effective communication with the department, planned relief of a worker from their job station to attend the Occupational Health Centre and follow-up communication with the department.
- › Effective communication of occupational health check-up records to the worker, department heads and maintenance of records in health forms and formats according to statutory requirements.
- › Occupational health surveys of the workplace, including the canteen, with an on-site medical check of workers, are carried out.
- › Occupational Health Services are highlighted in the Occupational Safety and Health Performance Review Committee (OSH PRC) and HR monthly review meetings.
- › A monthly report summary of Occupational Health Services is published in the monthly e-newsletters.
- › Scope of improvement in Occupational Health Services is managed through periodic internal and external integrated management system (IMS) audits.
- › Effective management of occupational injuries and impairment correction through the best possible medical backup services.
- › Provision of ambulance services for in-plant injury referral cases.
- › Disability limitation and occupational rehabilitation of physically disabled employees for prevention of handicap.
- › Drinking water and air quality checks are carried out at the workplace to ensure the provision of safe water and air through environmental modifications for health promotion.
- › Bacteriological swab cultures, canteen hygiene tests, food calorie and culture tests are carried out according to FSSAI guidelines.
- › Daily food menu calorie content is displayed in dining halls for information about intake according to different job categories (sedentary, moderate, heavy).
- › Immunisation of specific categories of employees according to the job requirements for specific protection under primary prevention protocols.
- › Management of the bio-medical waste that is generated by the operation of Occupational Health Services is carried out according to the statutory requirements.
- › Specific protection advice is given for identified occupational hazards (e.g. earplugs for workers employed in high-noise areas even after engineering control methods).
- › Statutory training, including first aid and CPR training, is given to employees.



Social inclusion contd.

Safety-related Initiatives

In FY 2021–22, Hero MotoCorp transferred the safety management system from OHSAS 18001 to ISO 45001 for all its units. The new system has brought a unique perspective of encouraging ‘risk-based thinking’: a more proactive, flexible and preventative approach to remedying a broader range of risks before they materialise. The new system encourages the incorporation of health and safety into the broader management system of the Company. The senior management has now taken a stronger top-down leadership role, driving performance improvements into action and taking responsibility for the protection of all employees.

Striving for a Zero-incident Culture

Under the Company’s proactive approach, several risk assessment initiatives, safety tagging, safety audits, safety Kaizens, safety training, awareness creation and emergency preparedness exercises have been undertaken.

Safety continues to be of the utmost priority at Hero MotoCorp. The substantial increase in near misses and hazard reports also indicates the increased safety awareness in the organisation.

The Company clocked over 170,000 hours of safety training for its permanent and contractual employees during the reporting year.

Worker Participation in Safety Management

Participation goes beyond simply training employees on health and safety procedures and expecting them to adhere to them. Instead, health and safety are seamlessly integrated as part of ‘business as usual’, with all workers aware of the objectives and advantages of a safe and efficient workplace and being empowered to contribute to it.

- › Giving the workforce increased participation and consultation, testing new initiatives before implementation and building policies around staff feedback
- › Utilising the workforce as ‘agents’ in developing the habit of flagging risks and opportunities alongside their day-to-day work
- › Openly sharing accident investigations and enquiry results, as well as planned changes and developments

Health and Safety

Near Misses/ hazard reports	6,730
Non-reportable injuries (permanent)	8
Non-reportable injuries (contractual)	35
Reportable Injuries (permanent)	0
Reportable Injuries (contractual)	5
Lost days (permanent)	0
Lost days (contractual)	338
Rate of Recordable work related injuries	0.10

For FY 2021–22, the number of fatalities, high-consequence work-related injuries was zero.

Health and Safety Training

Health and safety training and awareness form an essential part of the overall safety strategy at Hero MotoCorp. We have learnt over several years that effective training and awareness help control the risk of accidents and incidents in our processes. While a structured safety training process was already in place to cover various safety topics – industrial, electrical, fire, behavioural-based safety, etc. – the Company has now introduced a

new concept of ‘safety gyms’ across all our locations, where the employees experience live accident scenarios through fear simulation devices. Virtual reality safety training has recently been introduced at some of our plants, providing a near-reality computer-generated environment for developing process simulation or designing an unsafe scenario. Virtual reality can help bring life to visualisation concepts, create interest and improve the quality of training.



Social inclusion contd.

Below are listed some of the types of training organised at our facilities to engage employees and create a positive attitude towards Health and Safety:

- › Industry Specific Awareness
- › General Safety – Construction Site
- › HIRA; Aspect Training
- › Behavioural Safety
- › Legal Compliance Training
- › Chemical Handling
- › Electrical Safety
- › Fire Prevention and Protection
- › General Safety Awareness

Hazard Identification and Risk Assessment

Hero MotoCorp follows a structured mechanism for enhancing the safety of its employees. Alongside regular intensive training and awareness, another critical element of the Company's OHS programme is identifying, assessing, eliminating, and/or controlling hazards in the workplace. Risk assessment involves evaluating the risks arising from a threat, considering the adequacy of any existing controls and deciding whether or not the risks are acceptable.

HIRA defines and describes hazards by characterising their probability, frequency and severity, and then evaluating adverse consequences, including potential losses and injuries. A risk assessment that

provides the factual basis for activities is included in the Corporate Safety strategy to reduce losses from identified hazards in the workplace.

Each section maintains a document called 'HIRA', where all the risks within that section are captured and assessed.

A hazard is defined as a source, situation or act with a potential for harm in terms of human injury, ill health or a combination of these. Appropriate measures are in place to ensure that significant health and safety hazards are identified and assessed correctly.

Each section has its competent team of trained personnel on HIRA. Section-wise hazards are identified and assessed by these teams. The HIRA exercise

teams receive input from workers and department-level safety committees on the dangers of near-miss accidents for relevant activities or jobs. The safety department finally reviews the HIRA document before finalisation. The assessment is conducted according to the Health and Safety Programmes HIRA. The main element of HIRA is to identify all materials, agents, conditions or activities that can cause injury, illness or damage to the business and its property.

One way of classifying risks and impacts is to assign numerical scores to each of the three characteristics (Potential Consequences, Likelihood and Detection), and then combine these to generate an overall risk priority number. This enables management to rank its risks and impacts in terms of significance. Guidance on how to apply this methodology to health and safety risks and impacts is given in the SOP defined for this subject. A prioritisation matrix is also used to classify each risk based on its risk priority number. A matrix that classifies risks as Red, Amber or Green is developed in each section. The classification system within the matrix is reviewed regularly to ensure that it continues to function as a prioritisation tool as actions are implemented and help ensure that health and safety risks are reduced.

While carrying out Hazard Assessments, all the activities in each section are selected. Hazard Assessments are conducted to identify the significant risks. Control measures are defined to mitigate all risks classified as significant. The HIRA process is a dynamic document reviewed every year and if there is a change in process, layout, materials, or an accident or incident during that particular activity.

Once hazards and risks are identified through the HIRA process, control measures are planned to mitigate the significant Health and Safety hazards according to the hierarchy of controls:

- › Eliminate the hazard
- › Substitute materials, agents, conditions or activities with the potential to cause harm, wherever feasible
- › Use all feasible engineering measures to control the risks where the potential for harm cannot be eliminated or substituted
- › Establish administrative and other control measures to minimise any remaining risk
- › Personal Protective Equipment (PPE) – the last priority in the hierarchy of controls



Social inclusion contd.

Specific measures taken to control the above hazards and risks are given below:

- › **Machinery hazards** – All moving parts of machines are provided with an adequate guard. Wherever guards are not possible, interlocking mechanisms ensure that moving parts are inaccessible during operation by providing safety curtains, interlocks, sensors, etc. The guards provided on the machines can only be opened with special tools.
- › **Behavioural risks** – The checklist includes all the identified risks pertaining to behaviour/practices/acts. Audits are carried out daily to capture unsafe behaviour/practices/acts, and appropriate measures are taken to stop work and rectify the risk immediately. According to the practice, appropriate disciplinary actions are also taken against those who violate the norms regularly, in order to discourage such behaviours. The workforce shall report any hazardous situation on machines or equipment and shall not commence work unless the dangerous condition is rectified.
- › **Exposure to dust** – All the points of exposure to dust during operations are identified, and solutions are provided to either eliminate or contain the dust generated during the process. These steps are taken in a phase-wise manner. For those areas where actions are not yet

handled according to plan, dust mask/respirator enforcement is in place.

- › **Noise exposure** – All areas with high noise levels have been identified under PPE risk assessment. These areas are indicated with visual displays highlighting the compulsory use of earplugs/earmuffs. In addition, noise containment solutions have been provided where appropriate – acoustic enclosure, vibration-damping foundation, etc.
- › **Electrical hazards** – Steps have been taken to provide proper grounding and maintenance through the preventive maintenance schedule, proper and standard insulation, visual displays to communicate danger and precautions to reduce the risk of hazards from electrical equipment.
- › **Transport-related hazards** – Various initiatives have been taken in the plant to control these hazards, such as deploying a Road Safety Marshal, a quarterly Traffic Safety Audit, a trained person for operating material handling equipment, regular audits and inspections, etc. Transport hazards are identified, and proper control measures have been taken, including providing pedestrian routes, prohibition of vehicle movement during shift changes, checking the condition of vehicles entering based on a pre-determined checklist, and providing permanent barricading

where vehicle and pedestrian movement intersect with each other.

- › **Hazards associated with manual handling and repetitive motion** – Activities presenting such risks are identified, and ergonomic assessments are carried out. Solutions are being identified and implemented using various engineering controls (e.g. Poka-yoke) to control these hazards.
- › **Chemical hazards** – An SOP/work instruction has been developed to control chemical hazards, and people handling chemicals are identified and trained. All chemicals are classified for the level of control, and appropriate measures have been taken to control the risks while handling chemicals. PPE is provided per the PPE matrix developed in each section.
- › **Fire hazards** – Various fire protection systems are available in the plant, which involve fire alarms and detection systems, manual call points, a fire pump house operated by trained firemen around the clock and firefighters in each section.

Hazard Identification Risk Assessment (HIRA) EV manufacturing process:

We are in advanced stages of installation and commissioning of our electrical vehicle manufacturing facility in our Andhra Plant. Growth of electric vehicles comes with a

host of new risks and scenarios that the manufacturers and suppliers are facing.

While our R&D facility is working on the product safety and reliability, we conducted a systematic Hazard Identification and Risk Assessment (HIRA) for our EV manufacturing process for each stage of storage, Handling, manufacturing and EOL testing. Based on the risk assessment suitable control were defined for each stage against the identified risk.

The HIRA exercise helped us mapping the process safety measure like:

- › Safety engineering controls on the machines, equipment & workstation,
- › Planning for safe cell storage & handling controls,
- › Designing the Fire prevention & protection systems,
- › Selection of suitable Personal protective equipment
- › Planning safety awareness, training & skill enhancement for manufacturing team



Social inclusion contd.

Human Rights

The Company respects the rights of our community members, our value chain, our employees and others who may be affected by our operations. We conduct our business in a socially responsible manner, respecting the law and universal human rights to benefit the communities where we work.

- › Recognise the importance of maintaining and promoting fundamental human rights in all our operations and promote awareness
- › Respect employees' right to freedom of speech and provide fair and equitable wages, benefits and safe working conditions of employment
- › Respect each individual's fundamental human rights and not allow any modern slavery or child labour
- › Continually improve human rights performance by sharing good practices and learnings, monitoring, reporting and disclosing performance

- › Ensure the right to freedom of association and collective bargaining
- › Compliance with all applicable labour regulations

Hero MotoCorp advocates and encourages the highest standards of human ethics and etiquette and respects the dignity of everyone associated with us.

Our Company's human rights approach extends to those we partner with, such as suppliers and contractors. Human rights issues are also a part of our Sustainable Procurement Guidelines. In addition, through various awareness sessions and training, employees and stakeholders are sensitised on the subject, which helps promote adherence to human rights issues. We plan to conduct human rights risk assessments within our ecosystem in phases in a couple of years. In order to create a workplace that is fair, transparent and safe, we have in place

a policy for POSH, under the provisions of the Prevention of Sexual Harassment Act 2013, as well as a Transgender Equal Opportunity Policy to ensure that there is no discrimination of any form based on sex, sexual orientation, gender identity or gender expression.

We are working towards developing due diligence and a review process to proactively identify and assess potential impacts and risks relating to human rights in our operations, value chain, mergers, joint ventures and acquisitions.

This process would identify actual and potential adverse human rights impacts on employees and the value chain. It would certainly involve reviewing country and sector human rights risks, self-assessments and in-person workshops with the local management and human resources personnel in charge of the Company and value chain. Action plans for identified improvement areas would be created following each human rights review, with clear ownership and anchoring within the Company. We strive to align our human rights methodology review with the UN Guiding Principles.

Parental Leaves Data

Parental Leaves indicators	Male	Female
Total number of employees that were entitled to parental leave	5,201	427
Total number of employees that took parental leave	304	27
Total number of employees that returned to work in the reporting period after parental leave ended	304	27
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	287	23



Social inclusion contd.

Diversity and Inclusion

As a future-ready enterprise, D&I are critical elements of Hero MotoCorp's recruitment and retention strategy.

32

Expats

98

Specially-abled

2,079

Women

7

Nationalities

Despite unique challenges over recent years, Hero MotoCorp has made pivotal progress in increasing diversity and strengthening our culture of inclusion. We take a holistic view of diversity that looks beyond standard measurements. Engaging different perspectives and widespread sharing of insights have helped make us the organisation we are today.

Therefore, we are committed to creating a truly inclusive organisation with a culture that values, respects and encourages diversity.

In order to manage our diversity focus, we have adopted an integrated approach, wherein we target recruitment initiatives, education and training, career development and mentoring programmes to increase and retain workforce heterogeneity within the

organisation. While the focus has remained on increasing diversity representation, our vision was also crafted to ensure inclusion so that efforts could be sustained for the long term, becoming the standard culture in Hero MotoCorp rather than the flavour of the year. Hence, we have concentrated various efforts simultaneously on building a strong supportive culture. The actions taken under the three pillars of D&I are as follows:



LEADERSHIP & ADVISORY SUPPORT

- Maternity/Paternity Benefits
- Women in Leadership Programme
- Day Care Policy
- Special Travel policy
- Restricted Holidays
- Equal Employment



CULTURE & MINDSET

- Gender Sensitisation –to bring the mindset shift
- Sign Language Workshop-
- Gamification/online quizzes
- D&I Talk Series
- Unconscious Bias Training
- UN WEPs Association
- Equal Employment Opportunity Policy



RECRUITMENT & SELECTION

- Expanding reach of Diverse talent pool through various interventions to ensure adequate supply of diversity
- Incentivising vendor partners for diversity hiring
- Refreshing of interview processes to make it more inclusive
- Deployment of Specially Abled people across locations and roles



Social inclusion contd.

We have accelerated our efforts to onboard a diverse team of people who are reflective of the society in which the Company exists and functions. We understand that diversity incorporates both visible and invisible perspectives of individuals. We are making concerted efforts to boost diversity at the organisational level.

Hero MotoCorp also places significant importance on inclusion in the workplace, ensuring that individuals are treated fairly and respectfully. This facilitates our provision of equal access to opportunities and resources for those individuals ready to adapt to change and contribute to their own development and the organisation's success.

Diversity, Equity & Inclusion Vision:

To make Hero MotoCorp a truly inclusive organisation with a culture that values, respects and encourages diversity.

Our Company's consistent focus and all-inclusive traction across the three pillars of D&I saw the overall number of women in our workforce rise to more than **2,000**, an important milestone.

Our Workforce

As of March 31, 2022, nearly 9.3% of our permanent staff workforce was female, and 90.7% was male; 100% of our permanent employees are covered

under the performance evaluation and feedback process. We are committed to cultivating a diverse workforce of highly talented individuals dedicated to integrity and high-quality work. We also aim to offer equal opportunities to people of all working ages. The category- and gender-wise details of the workforce for FY 2021–22 are presented in the table below.

During the reporting period, Hero MotoCorp recruited 774 (management) employees across the management and permanent worker categories. The breakdown across age groups and genders is shown in the table below.

Workforce	FY 2021–22
Total number of permanent employees	9,173
Total number of temporary/contractual/casual employees	19,782
Number of permanent women employees	427
Employee associations recognised by management	<ul style="list-style-type: none">› Hero MotoCorp Workers Union, Gurgaon Plant› Hero MotoCorp Workers Union, Dharuhera Plant
Percentage of permanent employees who are members of this recognised employee association	100% of confirmed workers are part of the association





Social inclusion contd.

The percentage of women in all management positions, including junior, middle and top management (% of total management positions) was 9.2%.

The percentage of women in junior management positions (% of total junior management positions) was 10.9%.

The percentage of women in top management positions, i.e. maximum of two levels away from the CEO (% of total top management positions), was 14.3%.

People with disabilities constituted 0.97% of the workforce.

The percentage of women in management positions in revenue-generating functions was 7.1%.

The percentage of women in Science, Technology, Engineering and Mathematics (STEM)-related positions was 8.4%.

Ratio of average CTC of male & female employees at entry level grade (Management Trainees & Graduate Engineer Trainees) is 1.

Workforce	Employee Hire	Employee Turnover
Male Management	704	492
Permanent Workers	228	87
Female Management	127	105
Permanent Workers	1	0
<30 years Management	563	242
Permanent Workers	89	0
30-50 years Management	262	301
Permanent Workers	139	7
>50 years Management	6	55
Permanent Workers	1	79

The Company encourages internal talent development through a structured mechanism of internal job postings based on specific evaluation criteria around competency, meritocracy and profile suitability.

Share in the total workforce (% of the entire workforce)



Colombian
0.11



British
0.05



Italian
0.03



Japanese
0.02



Nepalese
0.05



Spanish
0.04



French
0.01

Employee Hire Rate

11.56%

Employee Turnover Rate

7%

Females Hire Rate

12%

Females Turnover Rate

1.15%

The percentage of open positions filled by internal candidates (internal hires) was 2.86%.



Social inclusion contd.

Diversity of the workforce is an asset – bringing fresh perspectives, ideas and experiences in a welcoming environment that contributes to the Company's values and vision. Hero MotoCorp is committed to promoting D&I within the organisation.

For Hero MotoCorp, diversity means a workforce reflective of different cultures, gender, generations, ethnic groups, nationalities, abilities, social backgrounds and all other unique differences that make us individuals.

D&I is more than policies, programmes or headcounts. Equitable employers outpace their competitors by respecting their team members' unique needs, perspectives and potential. As a result, diverse and inclusive workplaces earn deeper trust and commitment from their employees.

Many D&I initiatives took place throughout the reporting year to support our Company's aim of having a

diverse workforce. A slew of initiatives was undertaken – POSH and Gender Sensitisation, Nutrition for Working Women, Acceptable Behaviour and Inclusion at the Workplace, and awareness sessions around breast cancer and polycystic ovarian syndrome/polycystic ovarian disease (PCOS/PCOD).

Project Tejaswini (Women on the Shop Floor)

As an organisation with a strong history of market-leading performance and a heavy manufacturing footprint, the agenda of D&I was not initially identified as a priority at Hero MotoCorp. However, in recent years, keeping the vision and the identified roadmap for the Company's global brand dominance in mind, leadership has accorded the highest priority to creating an organisation with a diverse and inclusive workforce that represents a microcosm of the society we live in.



Hero MotoCorp's D&I journey started with setting up the D&I Agenda itself, which included the goal of introducing **'Women on the Shop Floor'** through **Project Tejaswini**.

Project Tejaswini was first proposed in 2015, and it was launched in FY 2016–17, when **Hero MotoCorp introduced women on the shop floor for the first time in its 32-year history**.

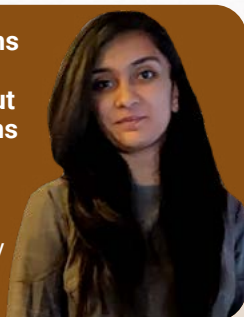
The **philosophy** behind Project Tejaswini was to build upon gender parity, work on

'Changing Mindsets' and take a holistic approach to aligning the workplace with its Vision for 2020. For Hero MotoCorp, this was a bold step towards bridging the gender parity gap and becoming an **'Employer of Choice'** and a **'Great Place to Work'**!

As of March 2022, we had over **1,500** female employees on the shop floor across our locations, ably working alongside their male counterparts and delivering in all operational functions.

"Inclusion means 'not just we're present here, but our contributions are valued'."

Sayali Mulatkar
Core Sustainability Team





Social inclusion contd.

DHARUHERA PLANT

Integrating the Company's D&I vision and the Chairman's aspirational Goal in 2019, we undertook a journey to create a sustainable ecosystem for Gender Inclusivity in the highly patriarchal environment. Previously, we had added to the number of washrooms, rest areas and crèche facilities to address infrastructure gaps, and in FY 2021–22, we addressed the cultural aspects of the gender-inclusive ecosystem with the following initiatives:

- › Mobility independence for women through two-wheeler driving classes
- › Financial employment through financial management sessions
- › Sessions on Women's Health and Hygiene for physical health
- › Several leadership talks with the female workforce to boost confidence and morale, in small groups for a better exchange of views and expectations

GURGAON PLANT

The Gurgaon plant doubled the female workforce on the shop floor and in other areas. **At the plant, women have been recruited as both Apprentices and ASDC Students**, bringing benefits not only to the organisation but to society at large.

D&I at the Gurgaon plant is being driven collaboratively at all levels. We develop and maintain best practices, policies and infrastructure, creating an ecosystem that supports and encourages inclusion. There have been **focused efforts towards creating progressive cultures and attitudes** through initiatives like creating Diversity Champions across the plant, a Special Helpdesk, inducting women line managers, introducing a grievance redressal mechanism and improving communication channels. Development and engagement programmes included a special recruitment drive for the female workforce, FemiQuizzitive – a quiz exclusively for women, knowledge sharing, inclusion talks, and health and spiritual programmes.

We encourage the mandatory participation of women in each cross-functional team of the Gurgaon plant. We have also launched a Quality Circle comprising all employees with disabilities, to promote diversity in all areas.

HARIDWAR PLANT

Haridwar Plant has taken several initiatives to progress further in the journey of D&I. Measures to be highlighted include periodic Female Workforce Interactions with plant heads, ensuring POSH refresher

sessions for staff and team members with 95% coverage, online consultations with female doctors (during COVID-19), and the Company's first-ever Socialisation Workshop for Persons with Disabilities. Recently, we have also set up a women's committee to empower female employees and give them a platform to discuss various concerns. The Haridwar plant was also the Company's first location to recruit a female security associate.

NEEMRANA PLANT and GPC

The Neemrana plant and GPC saw growth in the female workforce during

the FY 2021–22. At GPC, we have started **deploying a female workforce on B shifts** and maintained a ratio of 15%. Various engagement and **development initiatives** were conducted throughout the year, such as health awareness sessions, personality development and mindfulness sessions, Zumba, marathon and team-building activities. To further strengthen D&I, we have hired **people with disabilities in blue-collar roles under the project 'Hiring of Specially Abled Manpower'**. We have also started the Company's first wave of **women night duty officers**.





Social inclusion contd.

HALOL PLANT

The Halol plant has taken steps to strengthen its D&I initiative. As a relatively new plant, Halol has introduced various measures to increase the diversity index at the site.

- › Female team members of the Halol plant have broken all social stigma barriers by working on B shifts. This has been made possible by obtaining permission to employ women on the B and C shifts from the Government of Gujarat. The plant is proud to engage the Company's highest number of females working the second shift.
- › A free door-to-door transportation facility has been arranged for females working on the B shift, with an adequate number of female security guards to ensure their safety.
- › In addition to ITI, we have introduced a 10+2 FTE Model for local females having 10+2 base qualifications and eagerness to explore a career in manufacturing.
- › In order to increase the female talent pool, we have gradually increased focused recruitment drives for females.
- › During this reporting year, HM5V hired 10 people with disabilities onto the workforce.
- › Sensitisation and Socialisation workshops were organised at the plant to create a comfort zone for people with

disabilities. They were also assigned mentors to ensure smooth onboarding, along with provision of wheelchair assistance as and when required.

CHITTOOR PLANT (HM6C)

Our new manufacturing facility in Chittoor, Southern Indian State (Andhra Pradesh) is an exemplar at Hero MotoCorp when it comes to gender diversity. As proof, in FY 2021–22, we have increased our diversity to 36% from 28% in FY 2020–21. We have also initiated listening platforms, such as:

- › **VEDIKA** – Bimonthly meetings for sharing suggestions/feedback/advice around shop floor activities/issues between team members and respective section/departments management.
- › **Women at HM6C (WAH)** – A monthly programme/meeting for engagement and fun activities with learning interventions for the female staff of HM6C.
- › **Women Overall Well-being (WOW)** – Aims to support women's well-being in the workplace and beyond.
- › **'SPANDAN'** – Exclusively created for engagement of the contingent workforce. The programme is strategically developed to understand the needs of the workforce at the workplace as well as at the hostels.

To enhance diversity beyond gender, we have also deployed 13 employees with disabilities across various roles and functions.



Socialisation Programmes for Employees with Disabilities at Hero MotoCorp

As an organisation, Hero MotoCorp has always been cognisant of building a strong supportive culture for employees with disabilities. We include them in several motivational training programmes to ensure adequate focus on their personal development. As an extended mechanism of enabling the ecosystem, we have conducted sign language workshops for certain teams in corporate where we have hired interns with disabilities, in order to overcome communication barriers and enhance inclusiveness. We also recently conducted a workshop for building awareness and sensitisation around

disabilities. A total of three sessions were conducted, targeting plant management, middle management and supervisory staff.

Key Themes of the Workshops:

1. Overview of Disabilities and Breaking Stereotypes/Myths
2. **Inclusion in the Workforce**
3. Key Measures for Cultural Aspects for People with Disabilities
4. **Key Infrastructure/Accessibility Points**
5. **Disability Etiquette – Supervision**
6. Indian Sign Language Overview



Social inclusion contd.

International Women's Day 2022

Hero MotoCorp is committed to building an Equitable Workplace rooted in Inclusivity and Belongingness. For International Women's Day 2022, we demonstrated the courage to challenge biases, our commitment to being a change agent and a catalyst to Break the Bias, and celebrated an equal world not limited by prejudices, biases and stereotypes.

We planned activities and events across locations throughout the week to celebrate International Women's Day 2022 and foster inclusion beyond diversity. We saw a lot of enthusiasm and active participation from all our employees, taking steps towards challenging and breaking the biases.

Women in Leadership

Women's Day at Hero MotoCorp marked the successful completion of Batch 5 of the Women in Leadership (WIL) Programme, with a total of 17 female executives. The WIL programme was launched in association with BMU to build a leadership pipeline for women executives. This nine-month-long programme has been specially designed to help women in middle and junior management levels to realise their leadership potential and make significant contributions to their personal development and the organisation.

Each participant was part of one organisation-level action learning project, which they proposed for the organisational

benefit. Participants also underwent group coaching during the programme to strengthen the reflective learning process, with the goal of enhancing their self-awareness. The programme involved three hours of weekly virtual classes from June 2021 onwards. The assessments were based on participation in activities and quizzes, and evaluation by the faculty on the assignments given during each module. The convocation ceremony was conducted at BML Munjal University (BMU).

H.E.R.O. Mentorship Programme

During this reporting year, we also launched our Honesty, Empathy, Respect, Open-Mindedness (H.E.R.O.) Mentorship Programme, which aims to develop female team members across roles and functions through an intensive nine-month-long development programme. In this programme, senior leaders share their experiences and expertise and network with their mentees to help them achieve their career potential.

Additional Initiatives

ECONOMIC TIMES 'BEST WORKPLACES FOR WOMEN 2021' AWARD

UN Women's Empowerment Principles (WEPs) Seven Principle Awareness Campaign:

In line with our commitment to promote gender equality and female empowerment in the workplace, we

launched an internal WEPs awareness campaign to sensitise our employees about the existing practices and policies that abide by the fundamental seven principles of UN Women's Empowerment. This campaign is intended to enhance our employee value proposition (EVP) as a truly inclusive entity, both internally and across digital platforms globally.

D&I – Experience (XP) Series –

Continuing the trajectory of our Diversity, Equity and Inclusion agenda, we initiated a series of short videos to develop a strong communication approach from our Leadership Team. This was showcased under the Storyline of D&I – XP. Each message from the senior leadership team acted as profound encouragement and a source of empowerment to individual managers to interpret and implement the diversity agenda within their day-to-day

work. The central themes of the series included How Diversity Has Evolved in Hero MotoCorp and Diversity Then and Now.

Exclusive Webinars for Female Employees:

1. Ergonomics
2. Importance of Oral Health
3. PCOS and its Implications
4. Safety in Relationships

Unconscious Bias Training: Biases and stereotypes are barriers to fostering diversity in the workplace. In order to challenge these biases with an aim to evolve perspectives and change mindsets, we recently initiated Unconscious Bias training for our employees under the second pillar of D&I, Culture and Mindset.





Social inclusion contd.

Talent Management

At Hero MotoCorp, we believe in nurturing a high-performance, enabling work ecosystem where open dialogue is encouraged, allowing employees to realise their full potential. We aim to recruit the best talent from across the globe and various strata of society, industries and renowned educational institutions, thereby infusing the richness of intellect and experiential learning across our ecosystem.

The changes and transformations that occurred due to the pandemic during this reporting year have left an indelible mark on established processes, altering conventional wisdom. Some of Hero MotoCorp's notable highlights in the recruitment sphere are highlighted below:

1) Winning the Diversity Talent War

In our endeavour to infuse gender equality and aim to create a more sustainable talent pipeline, we always strive to align our diversity and recruitment strategies. We are making progress towards our goals to continue expanding pathways for under-represented talent. This is important since diversity efforts operating in a silo will not achieve the desired goal. In order to meet the dual demands of an increasingly diverse talent pool and the rapidly changing work landscape, we conducted diversity interview drives across various campuses. Our focus on hiring diverse candidates achieved the desired results and more, resulting in 39% overall diversity in FY 2021-22 and the successful onboarding of four people with disabilities in staffing roles. In addition, we have launched a pilot to deploy employees with disabilities across plant locations in various roles, and to date, more than 20 people with disabilities have been onboarded.

2) Improving the Candidate Experience

The recruitment and selection process is an opportunity to present our organisation as a preferred employer to the best talent available in the industry. We take pride in offering:

Superlative Selection Process

Experience– All our candidates are offered a cash-less travel experience during the selection process, where all interview-related expenses for a candidate are pre-booked and provided by the organisation in advance.

Hassle-free Onboarding– We offer a warm welcome to all our new hires for a hassle-free onboarding experience. Reasonable care is taken to provide complete clarity on relocation and travel expenses to all newcomers for their dependents/family members.

Candidate and New Hire Engagement

Activities– One of the essential mantras behind building a successful talent management strategy is to develop a brand image that appeals to a broader pool of talented job seekers. For our employer branding initiatives, we have designed a year-round calendar of activities covering

various themes – CSR, D&I, Campus Engagements, etc. – to disseminate the culture and values of our Company. We also ensure to gather timely candidate feedback during the pre-joining and joining stages, as well as once employees are in post, to further enhance the process. To enrich the overall new hire experience, we have introduced a welcome letter sent from the desk of the CHRO along with a gift voucher to celebrate each employee's new career beginning at Hero MotoCorp.

Employer Branding Activities– In line with our talent acquisition strategy, we have successfully organised our annual student engagement event, Hero Campus Challenge Season 7, globally. Season 7 has received a spectacular response, with over 53,000 student registrations from more than 1,800 campuses globally on the theme 'The Future is Here'.

Moreover, for the second year in a row, Hero MotoCorp became the partner sponsor of BAJA SAEINDIA 2022 – a platform for students to interact with R&D experts and leaders during the screening rounds.

With the digital landscape assuming greater significance, we conducted various Leadership Talks, Pre-Placement Talks, etc.



Social inclusion contd.

across campuses to support students to be industry-ready. Recently, Hero MotoCorp EMT Members have interacted with ISB students virtually in an E-Trek Study and shared industry insights and experiences. Their talks were followed by Q&A sessions, where students had an opportunity to learn more about the topics personally.

Finally, we allow our employees to express their true thoughts and feelings about their journey with the Company, whether as a new hire or via lateral/campus experience, and we receive consistent Glassdoor ratings of 4+.

3) New Initiatives/Activities

- › In order to enhance the selection process, we have introduced Behavioural Event Interview Techniques to assess how the best-fit candidate is structured and to identify certain behavioural aspects. The aim is to equip all hiring managers to find suitable talent for each role they are recruiting and to gain insight into how an individual performs their work and the underlying reasons for their approach.
- › To advance our recruitment strategy, we have developed an algorithm-based tool called 'Hiring Assistant' to help ensure we are hiring the ideal best-fit candidates for the organisation. The tool provides insights on a prospective employee's performance and tenure duration based on historical trends, leading to a best-fit hire. Currently, we are covering some within Sales and

After-sales as well as in the Supply Chain within the scope of this tool.

- › As Hero MotoCorp's focus is on EV, our hiring activities have been extended to diverse skillsets across different landscapes, hiring from progressive companies and start-ups to attract the best-in-class talent. We aim to build an agile and high-performing start-up ecosystem for Vida that supports the future of mobility and acts as the driving force for Hero MotoCorp's sustainability goals.

Training Programmes for Employees

A breakdown of training hours for our permanent employees is shown in the table below:

Category	Average Training hours per employee	Total Training hours
Male	36.3	9,01,389.4
Female	37.2	75,310.0
Permanent	39.3	3,42,142.4

37.6
Average training hours per employee

Sales and After-sales (SAS) Ignite

SAS Ignite aims to rekindle our sales transformation agenda by placing the right skills in suitable markets.

In the past year, we have identified the critical competencies – both functional and behavioural – required for success in each role. We have also gone deeper to map the proficiency levels required for different markets. Over the past few months, employees have gone through a journey of targeted development interventions for areas of focus identified through assessment centres. We took a gamified approach to development to keep learning interesting, with a mix of self-paced e-learning, masterclasses, virtual classroom sessions and start-up immersion of over 90 hours for each employee. Our senior leadership team also went through coaching sessions led by experienced coaches to guide them on their learning and development journey.

Yes Heroes Can

Through 'Yes Heroes Can', we conducted various initiatives under the umbrella of health and well-being, employee engagement and employee capability development, supported through virtual mediums. Employees across all locations completed several thousand internal and external courses through the Hero Virtual Learning Centre (HVLC) platform.

Hero Innovation League (HIL)

Innovation is at the core of Hero MotoCorp. With the inception of the HIL, a structured package was made available to the Company's Innovators. All participants, mentors, committee members and core team members displayed total commitment and inspired each other through the passion they displayed to innovate and achieve excellence.

Team HIL received 223 Ideas, which underwent screening from relevant department heads and the Technical Committee.

The Technical Committee screened 94 ideas to select the Top 10 teams, who then had the chance to present their ideas to the Steering Committee.

The Steering Committee evaluated the Top 10 ideas to select the Top 5 winners. Project Mentors were assigned to the winners to help convert their conceptual projects into reality.

Employee Engagement

FY 2021–22 was memorable for us and was all about celebrating togetherness and a spirit of oneness with the Company and its immediate and extended family.



Social inclusion contd.

Celebrating 10 Years of Acceleration

Our Brand Hero launch was held on August 9, 2011, with Pawan Ji unveiling the new branding in the O2 Arena in London. This memorable event took place in front of many stakeholders' viz dealers, global distributors, the Company's leadership team and a number of employees. Along with them, the extended Hero family of the Company's brand ambassadors and celebrities joined the occasion, including A. R. Rahman, Shah Rukh Khan, Anushka Sharma, Boris Becker, Irfan Pathan, Ranbir Kapoor, Akon and David Coulthard.

In 2022, a global engagement was planned for the tenth anniversary of Hero MotoCorp's brand launch. The idea behind the plan was not only to celebrate 10 years of being solo and a decade since the birth of 'Hero', but to reignite the 100 million celebrations and excite the entire Hero ecosystem.

A multidimensional engagement programme was initiated for the entire ecosystem, from marketing to supply chain partners, India to global operations and employees to families.

› Record Sales on the Tenth Anniversary

– A Sales and Marketing campaign run from August 1–9, 2021, in sync with the F121 campaign launched on August 1.

› Celebrate Key Milestones Over the

Past 10 Years – A Virtual Town Hall with Pawan Ji including 'Future of Mobility': What lies ahead for us – a forward look to the next 10 years.

› **Gratitude** – An initiative to thank present and past customers, partners and employees for being part of the Company's success story since 2011.

› Engagement/Care/Joy of Giving Back

– An appreciation of the efforts of the Company's COVID-19 Heroes employees and impacted families, contributing towards charities (e.g. UNICEF) and sustainability-focused causes. This was achieved through a number of initiatives:

– **Joy of Giving:** Employees care for the underprivileged. The donation drive started on August 1, 2021. Donations were made to five different NGOs working to support child education, senior care, AIDS patients, animal welfare and the environment, respectively.

– **Regenesis:** Conquering the World – My Hero Story was launched on August 2, 2021. This event was also extended to supply chain partners. A total of 70 stories were written, and the winning story was shared with the entire organisation.

– **What is your HQ?:** Hero Quiz was started on August 2, 2021, with an eight-round run. Around 7,000 answers were received across the rounds. The 16 fastest winners were rewarded.

– **Gen Z Speaks:** An event on the Future of Mobility was delivered on August 3, 2021, with around 100 families participating. A beautiful collection of children's ideas for future Hero MotoCorp bikes was shared with the entire organisation on August 10, 2021.

– Actions taken to provide care for senior parents of COVID-19-affected employees.

Bringing Alive Our Values

FY 2021–22 closed with a massive global employee engagement event called Bringing Alive Our Values.

Our values are our 'beacons of light', showing us the best path for our actions and how to achieve success:

Passion, Integrity, Respect, Courage and Being Responsible.

As we nurture our people to become more aware of and positive about this path to success, visual association with colours

is a clear opportunity to engage and align everyone.

The key objective of the activity was Bringing Alive Our Values by engaging and informing our employees as we shape our culture and give it a visual depiction. We aimed to revive and align the Company's values to bring back the spark in our journey towards success.

A bottom-up approach was taken, with decisions about the colours of the Hero Values starting from the bottom of the hierarchy rather than the top. Around 22,000 Heroes across the globe participated in deciding the colours of the Hero Values from a pallet of 12 options.

Excellerator Club Programme

The Excellerator Club was created five years ago to recognise and engage the highest-rated employees of our organisation. The club offers differentiated and exclusive engagement to the employees rated as EXCELLENT in the previous year. In the reporting year, the club members were commended with badges and certificates during the full-day experiential learning session, followed



Social inclusion contd.

by interaction with the Leadership Team. These club members will get multiple opportunities to connect with the Leadership Team and collaborate for synergies.

Heroes of Hero: Hero Talent Show

With an aim of encouraging, recognising and nurturing talent among our employees and their children, we launched a Talent Show – Heroes of Hero in 2019. Since then, we have seen great enthusiasm among employees and extended family members. In FY 2021–22, we saw a

336% (3.4x) increase in nominations for Heroes of Hero – Season 3. We received approximately 538 entries across all categories (singing, dancing, instrumental music, martial arts, painting, poetry, sketching, academics and sports).

After carefully evaluating each entry by an internal evaluation committee, a number of employees' and children's entries were shortlisted for the Grand Finale: Heroes of Hero – Season 3, which was conducted virtually on December 9, 2021, starting at 10 a.m.

We had two internal juries and two external juries to decide the winners from among the finalists. The finalists for Singing and Dancing performed live, while the outstanding pieces of art were displayed in the Painting and Sketching category.





Social inclusion contd.

Equal Employment Opportunity Policy:

Hero MotoCorp is proud to be an equal employment opportunity employer. Hero MotoCorp provides equal opportunity to all members of its workforce irrespective of race, colour, sex, religion, sexual orientation, national origin, disability, genetic information, pregnancy or any other protected characteristic outlined by federal, state or local laws.

Employee-centric HR Policies, Practices and Procedures

On the journey towards becoming a global employer of choice and a great place to work, we periodically review our policies and procedures to ensure that they offer meaningful benefits to our employees and fulfil any anticipated future needs that may arise due to changing business scenarios.

In FY 2021–22, we strengthened our focus on inclusivity, employee wellness, work–life balance and flexible benefits. We introduced/revised related policies and programmes, including gender-neutral parental policies, COVID-19 care benefits, senior care benefits, the talent show, and global mobility and sports participation policies. These strategic changes are intended to cater to and address the diverse expectations of Baby Boomers, Gen X, Millennials and Gen Z, which drives their value. These changes also augment employee value propositions and the employer brand.

HR digitalisation projects have been an enabler in streamlining and automating most employee-related processes and procedures, helping to improve communication and collaboration as well as providing actionable insights for further monitoring and decision-making. Change management and targeted communication have helped us bring significant improvement in employee experience through these varied interventions, resulting in value proposition for both employees and the employer.

Over the years, Hero MotoCorp has been known for employee-friendly policies and has created a compelling total rewards framework for all its current and prospective employees. To retain and attract the best talent, the EVP has a good mix of elements from the viewpoints of compensation (lead the market and pay for performance), employee well-being (fitness and insurance), employee benefits (flexible working) and employee development (career development programmes).

We regularly participate in benchmarking surveys and studies to remain abreast of the latest changes and understand our current standing with the market. Using the latest data and tools, we perform analyses and ensure the competitiveness of our pay both externally and internally. We maintain pay parity for the entire workforce irrespective of gender at all levels and reward accordingly based on

performance reviews using a structured PACE process and a meritocratic approach.

In consultation and guidance with compliance partners, we ensure that our policies and processes are compliant with the relevant laws and minimum wage requirements for all employees.

Through the strategic use of the EVP, the Company can attract, retain and engage the best talent from diverse workforce profiles in terms of location, age, gender and ethnicity.

During the COVID-19 pandemic, we focused on providing stability, inclusivity and a safe working environment, including by introducing/revising guidelines around flexible working hours, working from home, and our deputation and transfer policies.

We rewarded employees who showcased their commitment, rigour and courage in relation to the continued operation of the Company during lockdown.

Standard benefits for permanent employees of the organisation include:

i. Life Insurance

Group life insurance covers natural as well as accidental death cases. The policy also covers suicide, provided the employee has been covered for at least one year with HMCL. Coverage limits are different for different grades.

ii. Healthcare

The Mediclaim facility for families is covered under the family floater policy. The amount of coverage can be claimed under any existing claims: room and board charges, nursing expenses, surgical treatment, diagnostic materials and X-rays, medicine, maternity expenses, etc. For claiming hospitalisation charges, the minimum hospitalisation period is 24 hours.

Special COVID-19 medical insurance
– 4L additional coverage for COVID-19 hospitalisation.

Medical insurance for the next 10 years for the surviving family member in case of the unfortunate demise of an employee.

An on-site medical centre is present for easy accessibility for employees.

iii. Disability and Invalidity Coverage

Accident Benefits (subject to the terms, conditions, exclusions, stipulations and definitions contained herein):

If, during the insurance period, the insured person sustains a bodily injury because of an accident due to external, violent or visible means anywhere in the world, and within 12 months of the accident, the injury solely and directly results in death or disablement of the nature specified below, then the company will pay the corresponding benefit indicated below together with any additional benefits as may be applicable:



Social inclusion contd.

Temporary Total Disablement (TTD):

If any injury is the sole and direct cause of TTD, then as long as the Insured person is disabled from engaging in any employment or occupation of any description whatsoever, TTD weekly benefits compensation is as per the sum insured up to a maximum of 104 weeks or 65% of the gross salary.

iv. Parental Leave:

A maternity leave of 210 calendar days is granted to a birthing parent. Paternity leave of 15 flexi days is given to the secondary caregiver parent.

Relocation Costs:

To assist employees in resettlement after retirement, the Company will provide relocation costs of one month's salary (basic + HRA + special allowance). This amount shall be paid along with the final settlement amount. The employee is not required to submit any invoices/quotes for this.

Encashment of Unutilised Leave:

Encashment of the balance of unused Casual or Earned Leaves calculated on a pro rata basis under the prevailing permissible limits.

Ex Gratia:

The company will pay two months' salary (basic, HRA and other monthly fixed allowances) as an ex gratia payment along with the final settlement.

Gratuity:

If service years are more than five years, then gratuity per act is paid based on every completed year of service.

Ten-Year Mediclaim Policy:

The medical benefits plan will be extended to the individual employee and their spouse on retirement. The Company will convert the Group Medical Insurance Policy that covers employees while in service to an individual medical insurance policy on their retirement.

Company Car:

Eligibility: Associate Manager and above

The company car will be transferred to the concerned employee on retirement for the sum equivalent to 50% of the car's depreciated value as calculated in the Company Car Policy. This benefit is, however, optional for the employee.

Mobile Phone:

The eligible employee will be allowed to retain the cell number (duly transferred to their name) as well as the phone on retirement when the Company provides the phone.

Others

Provision of different kinds of loans for employees – child's marriage/sister's marriage /contingency/housing/employee's

marriage/employee's education/child's education/two-wheeler.

Capability Development Programmes, Car Lease Programme, Special HRA, Telephone/Mobile/Broadband Reimbursement, Professional Membership Reimbursement, Certification Fees Reimbursement, Spouse Employment Policy, Children Employment Policy, Differentiated Recognition Programme for Celebrating Excellence (Achievers), Paid CSR Leave, Special policy for female employees, Sports Policy, Wedding Gifts, Employee Engagement: Talent Show Policy for employees and their children.

HR Automation and Technology – Empowering Organisations With Digitalisation

As the HR space is being rapidly revolutionised by automation, Hero MotoCorp is exploring and implementing new, effective and productive ways to meet the evolving demands of doing business.

We have initiated the journey of building a stronger alignment between the Company's strategy and people management through data which enables better decision-making. This is a crucial transition from data supporting business to data driving our business.

Automating and streamlining repetitive HR processes – onboarding, data flow, online resignation, pay-out of joining bonus and retention bonus, etc. – have reduced time spent on administrative chores, and there is now more focus on strategic work. This has also resulted in improved employee experiences.

Increased focus on chatbots, artificial intelligence (AI), machine learning (ML) and robotic process automation (RPA) will enhance the user experience, support, safety and security, and fulfilment of organisational need.

We have also targeted consolidating to provide a consistent interface and single source of truth. With one platform for all HR and employee needs, employees can easily engage and complete tasks without switching between applications or getting confused about functionality.

This enables business agility, 24/7 global access, speed and accuracy.



Social inclusion contd.

Skill Development

At Hero MotoCorp, our employees are the cornerstone of our success, and we consistently invest in enhancing their capabilities. We provide multiple opportunities for employees to grow through our regular and customised development programmes. We ensure that all employees are up to date with the latest skills required to thrive in the industry today.

To ensure our employees are future-ready, we train them on Industry 4.0, BS-VI and EVs. We also develop subject matter experts who can maintain the existing processes and implement new, forward-thinking systems and procedures. In this reporting year, we developed around 15 experts on Kaizen skills. We also developed high-skilled cell level 'Meister Operators' who can understand the relationship between machinery and quality and foresee and detect potential problems. The Master Operators showcase their improvements by presenting them on internal and external platforms. The reward and recognition system motivates them to innovate. Alongside this, we are also developing a 'future-ready maintenance crew' to help us adapt to global technological changes.

Training has been carried out to educate operators to make them Equipment-Competent, Process-Competent,

Master and Meister Operators. In order to increase the effectiveness of the Education and Training (E&T) pillar, we have developed the TPM Training School in Gurukul and General Inspection Training Gyms in the plant, which allow us to quickly train the contingent workforce to become job-ready. We have also standardised the Internal Trainer system to impart training through the standardised content available to develop self-managed team members.

As part of our commitment to excellence, we ensure that learning is implemented in the workplace, and we are realising a return on our investment. We have embedded Action-Linked Learning projects for our aspirational and exclusive programmes. In addition, we are continuously strengthening the capabilities of our employees through training programmes, on-the-job learning and special projects to bridge identified gaps and ensure future-ready talent.

NexGen Leaders

Under our tiered leadership umbrella, we have created the NexGen Leaders programme for our budding leaders who have recently taken on their first role managing a team. NexGen is a 60-day leadership journey created to equip first-time managers with the necessary competencies to transition from individual contributor roles to managing others' positions. Around 75 young managers

were identified and covered during this reporting year. The managers also worked on projects to implement the knowledge gained from the programme.

Women in Leadership (WIL)

Continuing our journey to create a leadership pipeline, we successfully completed the fifth batch of the WIL programme with 15 budding female leaders. This year, we had a hybrid session, with the modules taking place both virtually and physically.

WIL is a flagship programme launched in association with BMU to build the leadership pipeline of female executives in the organisation. This nine-month-long programme has been specially designed for women in the middle and junior levels of management and is tailored to foster learning among female leaders. It is designed to keep in mind the unique challenges women face in their professional lives and on their path to leadership.





Social inclusion contd.

The programme aims to enhance participants' self-awareness through learning about their leadership impact on others, enhancing their ability to express themselves by understanding and embodying deep and active listening, resolving conflicts and relating better with others, and learning leadership skills for team working.

The participants took part in organisational-level action learning projects they proposed for corporate benefit, and they underwent group coaching during the programme to strengthen the reflective

learning process and enhance their self-awareness. The programme involved weekly virtual classes. The assessments were based on participation in activities and quizzes, and evaluation by the faculty on the assignments given during each module.

Hero Lead MBA

Hero Lead MBA is an executive MBA programme specially designed for building the capabilities of mid-level management personnel. It was launched in association with BMU to enhance the management and leadership foundation in the organisation.

The programme is powered by high-quality career guidance partners who help us develop and hone the right skills. The entire programme is distributed across eight modules and classes on alternate weekends. There are multiple assessments embedded in the process for continuous learning and evaluations.

Hero Virtual Learning Centre (HVLC) (Asynchronous Learning)

In step with the trend of online and virtual training the world over, the HVLC caters to the asynchronous learning needs of

Hero MotoCorp's employees through Skillsoft (Percipio) for behavioural and technical training. To ensure our employees continuously upgrade their skills, we launched our fourth learning initiative, called '#LearnWithLeaders'. Our Leadership Team shared their learning playlist of the month (a list of four themes), urging employees to follow the same list to enhance their skill capabilities. The top learners of the month were offered the chance to attend Breakfast with COO and CHRO, Mike Clarke alongwith, a learners' roundtable discussion.





Social inclusion contd.

Inclusive Growth

Supporting Community and uplifting their standard of life

Greener

Programmes on Environment & Sustainability

Safer

Programmes focused at Road Safety

Equitable

- › Programmes to support Diversity and Inclusion
- › Programmes on Education
- › Programmes to support Communities
- › Programmes to support Covid relief

OUR CSR INTERVENTIONS ARE COMPREHENSIVE AND SUSTAINABLE

Being a responsible and conscious corporate, we remain deeply committed to social and environmental issues and have strategically invested in initiatives focused on the socio-economic empowerment of the people.

We have contributed towards the improvement of education in several parts of the country through soft interventions and development of the necessary infrastructure. At the same time, our sports and life-skills support programmes have enabled thousands of children from the economically weaker sections in the villages to be at par with their privileged counterparts. Our women empowerment projects substantiate the belief that empowered women can bring about a positive socio-cultural and economic change in their communities. As an environmentally conscious company, steadily cutting down on its carbon footprints, we have been making a steady progress towards sustainable manufacturing processes and have aligned our overall business strategy with the Sustainable Development Goals (SDGs).

CSR interventions are deployed by professionals with diverse skills interacting directly with the community, partnered by organisations of national and global repute. This approach is the spine of our strong community relationships with mutual trust and respect.

Through our 'We Care' initiative, which is our CSR Umbrella, we are running several flagship programmes successfully.

OUR VISION:

"To have a Greener, Safer and Equitable World"

The world has changed after the year 2020, Covid-19 pandemic crises has put great deal of stress on the entire health eco-system across the globe. Throughout the year many initiatives were undertaken for helping the most vulnerable section of society as well as providing support to the government authorities in the battle against the virus.

The break-up of our CSR beneficiaries of our key programs are given below:

Initiative	Beneficiaries in FY 2021-22	Total beneficiaries till FY 2021-22
Nurturing and Protection of Biodiversity	Adoption of 1 Biodiversity Park	23,84,190 tree plantations and 1 biodiversity Park
Water conservation	95.6 million litre water saved	178 million litre water saved
Promotion of renewable energy	20 KW generated	50 KW generated
Road Safety	1,53,329 participants	9,21,345 participants
Education	5,807 students	4,36,509 students
Diversity and Inclusion	6,452 individual beneficiaries	53,569 individual beneficiaries
Promoting Preventive Healthcare	48,747 individuals benefitted	5,09,706 individuals benefitted



Social inclusion contd.

Projects complementing the vision to achieve GREENER world

As an environmentally conscious company, Hero MotoCorp is making steady progress towards mitigating the impact on our planet through our Greener Initiatives

Nurturing and Protection of Biodiversity

While the lockdown due to COVID-19 pandemic resulted in curtailment of some activities, the programme still managed to achieve a few milestones as mentioned below

We have shouldered the responsibility of supporting biodiversity conservation, restoration and protection efforts at Aravali Biodiversity Park, Gurugram for the coming 10 years. Among other things, we have freshly planted over 200 native species to enhance the natural diversity at the park.

In partnership with various environmental organisations and with the help of volunteers, we have been ensuring the proper growth and survival of more than two million tree saplings planted in previous years.

Many more biodiversity parks and land banks has been identified and studied thoroughly for further development and protection in various parts of the Nation.

Promotion of Renewable Energy– Project Aarush

The project focuses on promoting the use of alternative and eco-friendly energy resources.

This year we planned to generate more energy based on solar by installing roof top on grid solar power plants on various government institutions and land banks to mitigate the negative impact on environment caused by the coal based power generation and reduce the load on power grids.

We completed a pilot project of installing 20 kW On Grid Solar Power Plant in a government school at Gurgaon. It will help reduce the operating costs for the school by reducing the demand of electricity from the grid. It will also provide green energy to the school.

We have already identified many more government schools and other institutes to scale this project in near future.

Water conservation

In our country many parts are experiencing issues of water scarcity due to continuous depletion of ground water. To address this challenge, an organised effort by the company is being undertaken across

villages and urban localities close to our area of operations. The focus is on forging partnership with related stakeholders to undertake an integrated approach in water management.

Rain water harvesting work done in schools and villages will help in conserving and recharging ground water. We have constructed new check dams and increased the capacity of various existing dams and ponds as well. This FY, we enhanced the water saving capacity over 95.6 million litres of water in the villages near our areas of operations.

We have continued to support GuruJal, an integrated water management initiative by the Gurugram District Administration. The project aims to address the issues of water scarcity, groundwater depletion, flooding and stagnation in Gurugram district. In this FY, the project primarily focused on the four interventions that include biodiversity management, water proofing, supporting a pond and connecting the drops.

Under the same, a digital campaign called 'Catch the Rain' was initiated for generating and enhancing awareness about rainwater harvesting. The team has been able to reach more than 79,000 people through this campaign.

Mobility Support to the Forest Department of various states

This initiative aims to provide mobility support to the forest staff, patrolling and policing guards engaged in forest conservation across Uttarakhand, Haryana and Gujarat states. Hero MotoCorp has joined hands with forest department of these states, signed a MoU and Handed over around 555 two wheelers to enhance their action to protect the forest and biodiversity.





Social inclusion contd.

Projects complementing the vision to achieve SAFER world

Road safety is an essential intervention for propagating the message of safety on roads through mass public awareness sessions and programs encouraging better driving behaviour for riders in reducing the ever increasing fatalities due to unsafe driving habits on roads.

Road Safety Awareness Program

Hero MotoCorp's road safety-focused CSR initiative Ride Safe India (RSI) stresses upon the need to inculcate self-discipline among road users by way of regular reminders through road safety trainings, awareness sessions with regard to traffic rules and safe driving habits, and mass awareness campaigns.

Despite COVID-19 situation, we managed to generate awareness in more than 1.53 lakh participants through our offline as well as online Road Safety Awareness program.

We also manage six road safety training parks across the country that undertake two-wheeler riding training for college students and the general public. The Road Safety Training Parks play an important role in educating the masses and encouraging them to become aware and responsible road users.

Be A Road Hero Campaign

We launched the third edition of the 'Be A Road Hero' Campaign in partnership with Hindustan Times across Delhi-NCR. The campaign focuses on generating awareness on road safety rules and inculcating positive attitude shifts in riding/driving behaviour by engaging various mediums such as print, radio, digital, etc. Over 2,000+ readers and listeners have pledged to be a Road Hero so far.

Mobility Support to the State Transport Authority in Odisha

This initiative aims to provide mobility support to State Transport Authority in Odisha for road safety awareness campaign and scientific analysis of fatal road accident to ascertain the real cause of accident at different strategic locations in Odisha and taking remedial measures to reduce fatalities and to save precious human lives. Hero MotoCorp signed a MoU with them and handed over around 30 two wheelers as a mobility support to achieve the desired goals.

Highlights

Initiative	Our action & Impact in FY 2021-22	Our action & Impact till FY 2021-22
Road Safety Training Park establishment	Ongoing maintenance and awareness activities at the 6 parks	6 traffic Training Parks in Delhi, Gurugram, Nagpur, Lucknow, Hyderabad (Rochakonda and Begumpet)
Road Safety Awareness	1,53,329 participants	9,21,345 Participants





Social inclusion contd.

Projects complementing the vision to achieve EQUITABLE world include

Hero MotoCorp's vision of enabling the building of an Equitable World is led by the goal of addressing larger issues that hold back the collective progress of society – especially for the poor, marginalised and underprivileged sections. The underlying idea is equity of 'access and opportunity', and hence the areas of interventions are education, gender parity and women empowerment, healthcare, skill development, inclusivity with regard to specially-abled individuals, and development of a sports ecosystem in the country.

Support education system – Project Shiksha

The project is focused on bridging the gap that is prevalent in the existing education system which is based on the rote learning and creating a favourable ecosystem in government school that promotes creativity and innovation among children.

The impact is visible in most schools with improvement in attendance, low dropout rate and increase in enrolment across the majority of schools.

› Building infrastructure for future:

Starting from renovation of essential elements such as sanitation, handwashing and drinking water facilities, to building libraries, science and computer laboratories, playgrounds and more, everything that helps foster a healthy learning environment is being provided by Hero MotoCorp at the schools that it has supported in the last few years.

In FY 2021-22, the company has supported 1 government school in Rajasthan benefiting 600 plus students and staff by constructing 5 new classrooms equipped with new furniture.

› Remedial Education: We continue to support about 2,300+ students in Rewari district through our Asha centres for remedial education. A mobile application was introduced for children to have free access to education resources, while teachers continued to engage with them through WhatsApp and online video calls so that their studies are not affected during lockdown period due to Covid pandemic.

We have started scaling up this project in other areas of our operations in Neemrana, Jaipur and Haridwar where we are catering to the needs of over 250 students at each location.

Diversity and Inclusion

› Technical and non-technical skill development – Project Jeevika:

Under the project, Hero MotoCorp has been supporting multiple education and training institutes that make the youth employable in various trades in the automotive sector, especially the two wheeler industry. Project Jeevika complements Skill India or the National Skill Development Mission (NSDM) as well as the Prime Minister Kaushal Vikas Yojana (PMKVY).

This FY, Hero MotoCorp in collaboration with Automotive Skills Development Council (ASDC) joined hands to train market mechanics across the country to deal with any issue its customers might face related to BS6 Technology. 5,800+ technicians were trained under this initiative.

› Self Help Group and Federation: Self-help groups (SHGs) have been widely appreciated for their contribution to inclusive development across rural India. Hero MotoCorp has facilitated the formation of women's self-help groups (SHGs) in various target villages. The core activities undertaken by these groups are savings, internal loaning, and rights-based social action, starting small business to earn and enhance their livelihood.

In the last FY, seven new SHGs were formed in the villages of Halol and brought 80+ more women into the SHG system. Overall, these SHGs comprising of more than 850 women in the region have formed a federation named as Sahiyar Mahila Vikas Trust in Halol, Gujarat with our support under this initiative. This will enable them to market their products efficiently and leverage the related government schemes to grow well and uplift their standard of life.

› Mobility Support to Specially abled:

Saluting the exemplary grit and determination of Indian soldiers, Hero MotoCorp handed over 89 retro fitted scooters to support the community of Indian soldiers who have been disabled while serving the nation.

The two wheelers have been customised to suit the riding requirements of a disabled person in a safe manner. The specially-designed scooters supported by two auxiliary wheels in the rear, will help soldiers in meeting their daily mobility needs.



Social inclusion contd.

Promoting Sports – Project Khelo Hero

While most of our sports-focused interventions were stalled due to COVID-19 restrictions, we put into action a programme focused on harnessing the energy of the youth at the grassroots. The project has enrolled over 107 young boys and girls from a village in Jhajjar district of Haryana and imparts formal training in football.

Promoting preventive health care (Non COVID health care initiative)– Project Arogya

The goal of this initiative is to provide accessible, affordable and quality healthcare to rural people. To ensure that medical help reaches marginalised communities in areas with minimal or negligible healthcare facilities, Hero MotoCorp also brought in mobile medical vans/units. Professionals on the van include a qualified doctor who is a licensed MBBS practitioner, a qualified pharmacist, and a certified medical assistant, along with a driver. The services onboard are similar to what is provided in the outpatient department (OPD) of a public health centre. All facilities including check-up, primary diagnostics, doctor's consultation and medicines given to the patients are completely free. 10 such Mobile Medical Units (MMUs) are operating in Dehradun,

Dharuhera, Chittoor, Halol, Haridwar, Jaipur, Neemrana, Delhi and Gurugram catering to 43,000+ persons.

Additionally, the company has partnered with All India Institute of Medical Sciences (AIIMS) to set up 4 Satellite Vision Centre at Delhi and Dharuhera, Haryana. The centers facilitated examination of over 5,710 patients where they all received primary treatment as well as medicines for free.

Community Development

The CMGGA Programme is a strategic collaboration between the Government of Haryana and Ashoka University to improve governance in the state and driving a mass impact on ground. Running since 2016, the programme provides a platform to 25 young individuals – 12 of them being supported by the company

COVID-19 Pandemic Support

With COVID-19 making a comeback just as the economy was starting to get back on its feet after the 2020 lockdown. It was the curveball that needed to be deflected before its full impact was unleashed. Like in the first wave, this time too corporates and civil society pooled resources to manage the crisis as best they could. Hero MotoCorp, once again, pressed all of its mechanisms into action to support

government authorities and non-profit entities that were providing emergency and other essential services during the pandemic.

› Creation of Hospital Beds Equipped With Oxygen and Other Support

Hero MotoCorp set up a 100 bedded COVID Care Centre at the Government Girls College (Sector 14) in Gurugram in association with District Administration, Gurugram in Haryana. The 100 bedded facility is equipped with oxygen beds and was inaugurated on 17th May 2021 by the Honorable Chief Minister of Haryana, Shri Manohar Lal Khattar.

Hero MotoCorp also supported the 122 bedded COVID hospital set up by Ramakrishna Mission Sevashrama in association with District Administration in Haridwar, Uttarakhand. We also installed 10 manual hand sanitiser setups at the Kumbh Mela in Haridwar.

We set up a 180 bedded COVID Care Centre including intensive care facilities at Janakpuri Super Specialty hospital, Lok Nayak Hospital and Maharaja Agrasen Hospital in Delhi.

In Gujarat, Hero MotoCorp supported healthcare infrastructure by aiding the transportation of oxygen cylinders to the

250 bedded Tajpura COVID-19 hospital at Halol. We also supported the 40 bedded Covid Care Centre at CHC, Goghamba.

At Andhra Pradesh, Hero MotoCorp extended support to the 50 bedded COVID-19 care facility at the Community Health Centre in Sathyavedu, district Chittoor. We also provided 12,400 cooked meals to the Covid patients in this CHC.

At Jaipur, we helped in strengthening the health infrastructure of 13 Community Health Centres and adding the facilities of 100 beds for Covid Patients. In addition, we have extended our support to 26 police stations across the city by providing personal protection equipment to police personnels.

At the 50 bedded Community Health Centre in Neemrana, we provided essential medical equipment support.

› Hero For Humanity- Support to Covid affected families

Seeing the devastating effect of COVID-19 pandemic on families who had lost the sole earning member of their household leaving them in grief and vulnerable situation, Hero MotoCorp decided to identify such families and support them to get rid of their sorrows being the Hero for Humanity.



Social inclusion contd.

Hero MotoCorp has been supporting identified Covid affected families by providing them essential services such as food security and nutrition along with education for their children for 6 months. We are providing skill development training and livelihood set up to the women of these identified families to earn adequate income to fulfill their basic needs.

The company has been supporting 370+ families through this project, already in operation at Jaipur in Rajasthan; Haridwar in Uttarakhand; Chittoor in Andhra Pradesh; Rewari and Gurugram in Haryana; and Panchmahal in Gujarat.

› Distribution of personal protective equipment to frontline workers

Under our COVID-19 relief work, we are continuously supporting the front line warriors who are relentlessly fighting the pandemic risking their own lives. This year, more than 17,000+ Litres of Hand Sanitiser and more than 6+ lakh Face masks were distributed to the front line and essential service workers. In addition to this, the company has also procured more than 27,000+ PPE kits and distributed it among medical staff.

Additionally, 2,000 pulse oximeters, 64,000+ KN95 masks, 1,500+ pairs of surgical gloves, 350 IR Thermometer, etc. were handed over to the government administration for enhancing their capacity to fight the pandemic.

› Support to Uttarakhand state government to augment Covid relief initiatives

To support the vaccination initiatives of the Uttarakhand government, Hero MotoCorp provided logistic support by providing a van to enable persons with disability to travel to the vaccination centre. The project benefited 2,000+ individuals in Haridwar.

To augment efforts of the government and to increase accessibility of people, the company set up several vaccination camps administering 5,000+ Covishield doses in Haridwar.

13 advance life support ambulances handed over to Chief Minister of Uttarakhand for strengthening the health infrastructure across the state.

› Corona Warrior on Wheels

70 Two wheelers handed over to Director General Health Services –Haryana to undertake the COVID-19 vaccination drive at Kurukshetra.

Mobility Support to the government departments in various states

This initiative aims to provide mobility support to various government departments engaged across 15 states for better functioning towards their goals in their respective area of public service.

Hero MotoCorp has joined hands with police department of various states. MoU were signed between HMCL and respective departments to deliver the mutually agreed outcomes towards safety and security of the common public specially women safety under Hamari Pari Initiative of Hero MotoCorp. We have handed over around 2474 two wheelers for this cause.

We have also provided our support in terms of mobility to Disaster Management department, Education Department and Rural Livelihood Mission, District administration, Municipal Corporation, Fire services department in various states by providing a total of 635 two wheelers for better public service and achieve the desired goals as per MoU signed with them.

Additionally, under COVID-19 Relief, 52 vehicles were handed over to Deputy Commissioner, Gurugram to felicitate Asha Workers for their exceptional service during COVID-19 relief in the district. Also 10 vehicles were handed over to ICMR.





Social inclusion contd.

COVID-19 Support in FY 21-22

12,400

meals distributed among community /Slum Area

6,00,500

lakh Masks distributed in Hospital/Admin/Police/Community

17,190

Litres of Sanitiser given to Hospitals/Admin/Police/Community

15,000

pairs of surgical gloves distributed in Hospitals/Admin/Police/Community

27,200

No's PPE Kits handed over to Govt. Hospital for Corona Warrior's

64,940

KN95 masks distributed in Hospitals/Admin/Police/Community

2,000

pulse oximeters distributed in Hospitals/Admin/Police/Community

350

IR Thermometers distributed in Hospitals/Admin/Police/Community





Social inclusion contd.

VOLUNTEERING AMONG EMPLOYEES

At Hero MotoCorp giving back to the society is ingrained in organisation DNA. Employees in the company have taken it forward by actively supporting the CSR causes. Employee volunteers in activities to support various activities focused on education, collection drives for supporting community requirements.

However due to Covid guidelines by authorities and employee safety, we couldn't plan employee participation in CSR activities.

AWARDS AND RECOGNITIONS IN FY 2021-22

CSR efforts of Hero MotoCorp were appreciated at various forums. Some of the major recognitions included.

- › Certificate of appreciation from Hon. Governor of Haryana, Shri Bandaru Dattareya for valuable contribution in combatting the COVID-19 pandemic
- › Letter of Appreciation from Office of Medical Director, Lok Nayak Jai Prakash Narayan Hospital for support towards the provision of 50 bedded dedicated Covid ward
- › Letter of Appreciation from Janakpuri Super Speciality Hospital for support towards the provision of 50 bedded dedicated Covid ward including 20 ICU beds and critical care
- › Certificate of appreciation for Covid Relief initiatives in Haryana on the occasion of Republic Day CSR Awards





Climate protection

Racing towards Climate Resilience

Global warming and climate change are at the centre stage with the latest Intergovernmental Panel on Climate Change (IPCC) report highlighting “Code Red” for humanity, resulting in heightened interest in climate risk adaptation & mitigation. In line with our commitment to a better tomorrow, we aim to have 100% carbon neutral operations by 2030, 500% water positive facilities by 2025 and 100% Waste Neutral facilities through zero waste to landfill certifications by 2025.



Butterfly House at Halol Plant, Vadodara, Gujarat



Climate protection contd.

Hero MotoCorp sets forth the disclosures on its overall governance, strategy and management of climate-related risks and opportunities as a part of its 'Climate Protection' material issue and in alignment with the Taskforce of Climate-related Financial Disclosures (TCFD) recommendations.

Governance

Climate-related risks and opportunities are critical topics for industry and the planet today and are integrated considerations within Hero MotoCorp's overall strategy and business model. Responsibility, decision-making and accountability are embedded in the organisation under the Governance Framework. The Core Sustainability Team (CST) facilitates the strategic work under the mentorship and strategic guidance of the Sustainability Steering Committee. The CST consolidates the relevant information and develops strategic action plans with thorough due diligence, considering the entire range of value chain factors. These issues are critically reviewed at the Sustainability and CSR Board Committee review meetings held towards the end of every quarter.

Strategy

Hero MotoCorp has aligned its strategy with the ambitions of the Paris Agreement – to keep the increase of global average temperatures to well below 2°C above the pre-industrial level and to pursue efforts to limit the temperature increase to 1.5°C in precise alignment with 2DS in line with Shared Socio-economic Pathways (SSP)/Representative Concentration Pathway (RCP). This scenario would require aggressive decreases in emissions across all sectors, including building, industry, automotive and energy. There is an increasing need in the automotive sector for electric products and solutions using technologies that increase resource efficiency. Hero MotoCorp is ideally positioned to leverage this demand and has accelerated its work on emerging mobility solutions.



"Adapting and steering together in the 'Code Red' World is the new normal as there is no 'Plan B'."

Nihal Kaul
Core Sustainability Team





Climate protection contd.

The Climate Change Resilience Approach

- › Investing in non-fossil-fuel-based sources of energy: Non-fossil-fuel power is Hero MotoCorp's constant endeavour for clean and green energy sourcing. With the long-term target of becoming 100% carbon neutral by 2030, Hero MotoCorp is consistently enhancing its clean energy portfolio through solar power plants and exploring other options of non-fossil-fuel-based power sourcing under the available regulatory framework (wind-solar hybrids, wind energy wheeling options for operations based in different states). The installed solar capacity stands at 11.2 MW, with the potential of generating over 12 million units of clean energy annually and a carbon offset potential of more than 8,000 tonnes.
- › Meeting Beyond Compliance: Hero MotoCorp adheres to all applicable legal protocols and requirements and ensures the deployment of energy-efficient technologies, upgrading legacy equipment and creating synergy between different manufacturing operations.
- › Internal Carbon Pricing (ICP): Hero MotoCorp has implemented a mechanism of ICP to facilitate and promote investments in sustainable and eco-friendly technologies. The mechanism enables the accelerated deployment of energy efficiency and carbon reduction projects. Currently, the

ICP is calculated at around \$30 per tonne of CO₂ and is used strategically.

- › Sustainable Infrastructure Development: All new establishments are developed on sustainable platforms and are Indian Green Building Council certified. All local facilities are already CII GreenCo certified.
- › Afforestation Strategy: Hero MotoCorp is firmly focused on expanding its green cover within the four walls of the factories, in offices and beyond the periphery. The Company has crafted its afforestation roadmap in line with the Carbon Neutral operations target.

Climate-related Opportunities

The transformation and evolution of technology in the automotive sector offer significant business opportunities. Hero MotoCorp strives to lead the development of new technologies and is continuing to develop an extensive portfolio of products and services using new technologies. We aim to continue to provide high-quality products and services to our customers while at the same time enabling them to reduce their environmental impact. We are broadening our offer of products powered by clean energy sources by introducing EVs and enhanced use of blended fuel.

Climate-related Risks

Climate-related risks can be divided into transitional and physical risks. Transitional risks include technology-related, policy,



Green Wall - Neemrana Plant

legal, market, and reputational risks. Physical risks include acute physical risks, such as extreme weather events, and the chronic physical risks caused by changing weather patterns and rising mean temperatures and sea levels. Extreme weather events (e.g. storms or floods) can hamper vehicle production and component supplies, while droughts can affect access to water for our operations, especially in water-stressed areas.

With the determination to adapt to climate change and achieve climate resilience, Hero MotoCorp is reviewing its strategy and will disclose plans in more detail for various contexts after carrying out specific scenario analysis exercises for a 1.5° or 2° world.



Climate protection contd.

Metrics for Greenhouse Gas Emissions and Targets

According to the leading GHG Protocol corporate standard, a company's GHG emissions are classified into three scopes.

Scope 1 comprises all the emissions we cause ourselves through the combustion of energy carriers at our production locations, such as generating electricity and heat on our premises.

Scope 2 includes all emissions due to energy generation we purchase from external sources, such as electricity from state electricity boards.

Scope 3 includes all emissions generated before (upstream of) or after (downstream of) our production operations.

Indicators	FY 2021-22	FY 2020-21
CO2 Emissions in tonnes		
Scope 1		
High Speed Diesel (HSD)	2,107	4,275
Propane	1,384	1,700
Natural Gas	23,054	31,388
Total	26,545	37,363
Scope 2		
Grid	84,115	88,840

The carbon emission per vehicle for FY 2022 was 22.94 Kg CO₂/vehicle due to lower production volumes.



Green cover at Halol Plant, Vadodara, Gujarat

Scope 3

A significant share of vehicular emissions is observed in the use phase, and Hero MotoCorp, as an environmentally responsive brand, has been a pioneer in developing highly fuel-efficient mobility solutions right from its inception.

We understand that GHG emissions are also generated in other phases of a vehicle's life cycle, and we take that into account in our overall CO₂ balance sheet. We conduct life cycle assessment studies as an intrinsic element of our design strategy, and we use the GHG Protocol as our principal base for calculating emissions.

The GHG Protocol was formulated to standardise the emissions reporting of companies and organisations. According to key studies, limiting the pace of global warming will be facilitated if GHGs are recorded and reported according to a standardised procedure. Such reporting will make it possible to uniformly formulate the targets for emission reduction, manage the reduction process, and conduct an effective root-cause analysis of emissions chemistry.

The GHG Protocol specifies a total of 15 categories of Scope 3 emissions. The determination of Scope 3 emissions is based on comprehensive methodological considerations and complex calculations. Hero MotoCorp is one of the leading companies that have analysed the specifics of Scope 3. We are working

towards reducing Scope 3 emissions and have developed products based on i3s and fuel injection technology, which provides a considerable reduction in emission through fuel efficiency, achieved by riding flexibility in various traffic conditions.

Most (approximately 90%) of our Scope 3 emissions are generated during the use phase.

We currently determine the CO₂ emissions of our vehicles in the use phase based on life cycle assessment studies on major vehicles platforms (100cc/110cc completed and 125cc in advanced progress). For this calculation, we assume that each vehicle travels 15,000 km per year and is used for 10 years. An assumption-based study shows that approximately 30–35 grams per km of carbon emissions are generated in the use phase, which is low due to our highly fuel-efficient vehicles. We have successfully transitioned to BSVI platforms and contributed significantly to reducing emissions through observing BSVI regulations and continuous implementation of fuel-efficient technologies in our product strategy.

Target – One of Hero MotoCorp's targets complementing climate change is to have '100% carbon neutral operations by 2030'. Going forward, the Company is also working on its Net Zero Emissions roadmap.



Climate protection contd.

Energy Management

We reduce our direct emissions through enhancing the energy efficiency of our operations and increasing usage of renewable energy and offset mechanisms. Teams of energy managers and auditors across our operations steer the energy and climate change agenda with the support of cross-functional teams that implement these action plans. The Vadodara plant has achieved the Energy Management System ISO 50001:2018 Certification as a part of the Energy Management System standardisation.

Energy conservation initiatives and energy-efficient technologies remain the principal focus of our operations. We believe actions around energy bring direct benefit to the bottom line and the climate. Some crucial energy initiatives undertaken during the reporting year are as follows:

- › The Dharuhera plant has implemented several energy conservation projects, including compressor efficiency improvements (KWh/CFM), resulting in savings of 2,500 units per day.
- › The Gurugram plant has implemented a unique real-time system for controlling and monitoring comfort cooling loads, resulting in savings of 4,500 units per day.
- › Non-fossil-fuel-based power – The Company's solar footprint has increased to 11.2 MW with the potential of

generating 12 million units annually.

- › The CIT has adopted loss elimination techniques and technology improvements in the centralised air handling systems and adiabatic pad installations, resulting in annual savings of 1.5 lakh per unit.
- › The Haridwar plant has improved energy efficiency by adopting process estimation and energy-efficient equipment, resulting in annual savings of 9 lakh per unit.
- › The Neemrana plant has undertaken process optimisation and improvements in compressed generation and variable frequency drive optimisation, resulting in savings of 2,930 units per day.
- › The Vadodara plant has implemented a project on improving the comfort cooling system, hot water generator operation optimisation and compressed air system, resulting in savings of 4,600 KWh/day.
- › The Chittoor plant has introduced the Smart Utility Cockpit, a new way of working through the digitalisation of utilities by creating a central cockpit for effectively managing and controlling plant utility operations.

Indicators	FY 2021-22	FY 2020-21
Energy Consumption Data		
HSD (litre)	744,709	1,510,252
Propane (Kg)	437,741	536,613
Natural Gas SCM	10,047,503	13,679,817
Grid Power (kWh)	106,475,201	108,341,619
Solar Power (kWh)	10,667,055	9,183,816

SCM - Standard Cubic Meter
HSD - High Speed Diesel



Manufacturing Happiness at HMCL Colombia

17%
Reduction in energy
consumption from FY 2020-21

0.18 GJ/Vehicle
Energy intensity



Climate protection contd.

Water

Water is a precious but scarce resource. Across India, groundwater tables are depleting rapidly. It is therefore pertinent to conserve water. At Hero MotoCorp, we have undertaken to minimise fresh water consumption in our processes and recycle as much of our wastewater as possible to reduce the burden on groundwater.

Manufacturing plants and other facilities, especially the paint shops, require water to carry out their operations. Guided by our Environment Policy, we have embarked on a mission to moderate water consumption at all our plants and continuously attempt to improve our efficiencies.

Indicators	FY 2021–22	FY 2020–21
Water Data		
Total Water Withdrawal (kL) - Groundwater	5,18,483	6,05,529
Freshwater(<=1000 mg/L Total Dissolved Solids)	3,04,683	2,60,360
Other water (>1,000 mg/L Total Dissolved Solids)	2,13,800	3,45,169
Total Water Withdrawal (kL)(Surface Water)	3,05,529	3,10,474
Freshwater(<=1000 mg/L Total Dissolved Solids)	3,05,529	3,10,474
Other water (>1,000 mg/L Total Dissolved Solids)	0	0
Total Water Withdrawal IN KL	8,24,012	9,16,003
Waste Water Treated (kL)	5,01,220	5,64,593
Water Recycle (kL)	2,66,505	2,97,267
Water Reuse (kL)	2,34,715	2,67,326
Water discharge	0	0
% of total water recycle/reuse (kL)	60.83%	61.64%

Resilient Environmental Facilities

Water is our most important natural asset, but natural water resources become contaminated after being used in various processes and for domestic purposes. This necessitates the installation of effluent treatment plants (ETPs) and sewage treatment plants (STPs). As a proactive, environmentally conscious organisation, Hero MotoCorp has operational ETP and STP facilities at all of its manufacturing locations. These plants are categorised as 'environmental facilities' and are designed to accommodate and treat the varying composition of wastewater based on their physical (suspended solids), chemical (heavy metals, organic, inorganic, dissolved oxygen) and biological (microbial pathogens) parameters.

At Hero MotoCorp, as a part of our system strengthening strategy, these environmental facilities are designed, updated and maintained according to best-in-class technology standards to cater to the relevant authorities' requirements (central and state Pollution Control Boards) and suit our day-to-day vehicle production activities.

The facilities are fully equipped with analysers with a monitoring mechanism

that sends the water chemistry data to the relevant authorities on a real-time basis. This system enables the company to run its vehicle production activities seamlessly and flawlessly, thereby contributing to business continuity. We have up-to-date in-house laboratories run by chemists, which facilitate pre-diagnostics of problems at a very early stage, thus allowing for proactive action in case of any abnormal observations concerning wastewater treatment and analysis. This eliminates the time delay that would be inevitable in the case of a reactive response and minimises dependency on third-party experts. The robustness of the facilities, along with the microscopic level of supervision of the environment team at Hero MotoCorp, are vital contributors towards water sustainability and security and have supported the Company in achieving zero discharge status.

Our strategy to enhance our efforts towards water security is to continue creating new rainwater harvesting (RWH) structures at various locations to improve the groundwater table. We have also created a number of RWH structures beyond the fence as part of our community initiatives.

10%

Reduction in water withdrawal from FY 2020-21

0.17 kL/Vehicle

Water Intensity



Climate protection contd.

Material

We strive to provide better quality and performance for our vehicles while rationalising material consumption. Preference is given to recycled or recyclable inputs wherever possible.

Category of material	Units	FY 2021-22	FY 2020-21
Steel	Tonnes	3,92,869	4,80,867
Aluminium	Tonnes	1,04,084	1,22,042
Rubber	Tonnes	35,980	41,956
Plastic	Tonnes	35,082	37,523
Paint and Thinners	KL	15,681	18,713
Acrylonitrile Butadiene Styrene Polymer (ABS)	Tonnes	10,986	12,552
Engine and Shocker Oil	KL	8,058	7,773
Non-ferrous	Tonnes	11,194	12,782

Aluminium and steel allow us to use second-life materials instead of virgin materials in a few of our components. The amounts of various recycled inputs used in our operations are provided in the table below.

Sr. No.	Recycled input materials		FY 2021-22	FY 2020-21
1	Aluminium	Tonnes	63,593.17	75,887
2	Steel	Tonnes	24,695.28	29,603

Around 18% recycled content of input materials are used in product manufacturing



Glimpse of our Columbia Plant



Climate protection contd.

Waste

We are committed to regularly improving our waste management initiatives at our facilities. A wide range of manufacturing activities are carried out inside the plants, and all plants dispose of waste in compliance with operating permits and hazardous waste authorisations. After due validation, we engage with waste disposal facilities/waste recyclers/cement companies. As per our strategic drive to divert hazardous wastes away from landfills and incineration, several recycling options have been explored and implemented across the organisation.

Hazardous Waste

The hazardous waste generated at our plants comprises waste from the painting process, oil, wastewater treatment sludge, DG and compressor filter, and paint-chemical scrap. We have a system in place for collecting, storage, treatment and disposal of all hazardous wastes according to the prescribed regulations. All the hazardous waste from our units is sent for co-processing in cement plants.

All our units have STPs and ETPs to treat and recycle liquid waste. Resource conservation teams are working on opportunities to reduce raw material usage through minor improvements. Technological upgrades are also carried out to significantly reduce waste generation.

Non-hazardous Waste

Non-hazardous waste is comprised of metal turnings and rejected metal or plastic components. The amounts of various non-hazardous waste materials generated across the last two reporting years is shown in the following table.

(1 lot equivalent to 4.5 tonnes).

Hazardous Waste	FY 2021-22	FY 2020-21
ETP Sludge (Kg)	4,51,116	5,07,078
Paint Sludge (Kg)	8,63,189	9,38,269
Grinding Sludge (Kg)	2,24,762	2,53,088
Phosphate Sludge (Kg)	26,506	35,497
Used Oil (Litre)	57,024	61,776

Non-Hazardous Waste	FY 2021-22	FY 2020-21
Aluminium Scrap (Tonne)	2,481.91	2,671
Steel Scrap (Tonne)	3,588.71	4,336
Packing Material (Tonne)	1,859.22	1,901

10.77%
Reduction in waste generated from FY 2020-21

0.32 kg/Vehicle
Hazardous Waste Intensity



Zero Liquid Discharge (Environmental Facilities) at Gurugram Plant, Haryana



Climate protection contd.

Zero Waste to Landfill (ZWL)

At Hero MotoCorp, we have adopted the ZWL approach. All hazardous waste is either diverted for co-processing in a cement kiln as an alternate or as a direct resource for recyclers. All our non-hazardous waste is segregated at the source and managed as follows:

1. Waste transfer – segregated by an authorised waste collector
2. Energy and compost created from organic waste
3. Waste recycled into a valuable resource

We have adopted the approach of Extended Producer Responsibility (EPR) for the treatment or disposal of plastics used as packaging material. We are proactively working to take back the equivalent quantity of plastic waste in each state's market through an EPR Action Plan across India. We are registered with the Central Pollution Control Board as a brand owner.

Circular Economy in Business

Emerging trends, evolving consumer attitudes and regulatory requirements influence each product's development roadmap and the processes involved. Hero MotoCorp has accelerated its pace in incorporating the concept of a circular economy into the business approach, focusing on reducing waste throughout the value chain – from vehicle design through production, distribution, use and eventual reuse/recycling of materials.

In a nutshell, Hero MotoCorp is striving to contribute to the automotive sector's transformation and support customers to shift to new and more sustainable technologies. The successful positioning of the Company on this journey will create many possibilities, such as increased revenue and growth streams, whereas an unsuccessful positioning may adversely affect the Company.

731.45 Tonnes **2,320** Tonnes

Plastic collected and disposed through EPR in FY 2021–22

Total cumulative plastic disposed through EPR route since 2019

"Minimising our levels of resource consumption will not be a sacrifice but a bonus if we simply ride towards circularity."

Birendra Singh Yadav
Core Sustainability Team





Climate protection contd.

Environmental Impact Assessment

Hero MotoCorp has conducted Environmental Impact Assessments (EIAs) to evaluate the likely environmental impacts of the proposed project, taking into account inter-related socio-economic, cultural and human-health impacts, both beneficial and adverse.

The study area covers 5 km radius around the project site. The land use and socio-economic aspects were studied with respect to 5 km radius around the site. The existing environmental setting is considered

to adjudge the baseline conditions which are described with respect to climate, atmospheric conditions, water quality, soil quality, ecology, socio-economic profile, land use and places of archaeological importance.

Baseline information with respect to air, noise, water and land quality in the study area was collected by conducting primary sampling/field studies during the Summer season i.e. March-May. Presence of reserve

forest and / or any other ecological sensitive feature is evaluated in the study area

Based on the impact assessment appropriate air pollution equipment, adequacy check for treatment of waste water generation and hazardous waste management leads to very negligible environmental impact which can be mitigated by taking preventive measures. Based on the baseline studies, there are no sensitive areas located in study area.

No endangered or threatened species of flora and fauna are reported. The sites are in the notified industrial area. Any abnormal and emergency situations can be handled by well experienced staff of Hero Motocorp Limited with well-equipped safety equipment and fire hydrant network. Employment potential includes skilled, semi-skilled and unskilled labourers both during construction and operational phases of the project.



Ozone Depletion and Volatile Organic Compounds (VOCs)

We are taking the initiative to reduce our ozone-depleting substances (ODS) footprint at all our facilities. We are replacing our old air conditioners with ones that use R410 gas

and do not harm the ozone layer. The ODS footprint for the last two years is shown in the following table:

ODS IN kg	FY 2021-22	FY 2020-21
R22 FREON GAS (In CFC-11 equivalent)	61	427
R134A MAFRON Gas (In CFC-11 equivalent)	608	386
R22 MAFRON (In CFC-11 equivalent)	671	427
Total	1,340	1,240



Climate protection contd.

Air Emissions

Process vents and fossil fuel usage at our manufacturing plants generate air emission loads of sulphur oxides (SOx), nitrogen oxides (NOx) and particulate matter (PM). We monitor air emissions, NOx, SOx and PM to keep emissions below the permissible limits. Our facilities are equipped with appropriate emission control equipment to arrest emissions during operations. The details of the air emissions from our manufacturing plants are shown in the following table:

Air Emission	FY 2021–22	FY 2020–21
Sox (Ton)	2.56	5.43
Nox (Ton)	33.75	91.22
PM (Ton)	11.08	20.40

Clean Air Initiatives in Delhi NCR

Being pro-actively aligned with Govt. of India initiative of National Clean Air Program (NCAP), We have undertaken several initiatives to minimise air pollution from our factories.

1. We have switched over to piped natural gas (PNG), all our processes are operating on natural Gas.
2. Emission control equipment like wet scrubbers, electrostatic precipitators, mist collectors, dust collectors in the manufacturing.
3. Optimisation of number of trips of inbound and outbound trucks.

Product Stewardship: Design for Environment

Addressing modern customers' needs, comfort, safety, assured product quality and reducing the environmental footprint are key strategic areas in product strategy. Right from its inception, Hero MotoCorp has been developing fuel-efficient vehicles, thus contributing to a reduction in Scope 3 emissions.

Hero MotoCorp is also making consistent efforts to provide advanced systems and comfort features, avoid potentially harmful materials, enhance the usage of recyclable materials and provide adequate product information to customers.

Through the Design for Environmental approach, Hero MotoCorp is making concerted efforts in providing continuous technology improvements, design for recyclability, and easy disassembly and dismantling. Life cycle impact studies of products, innovation and competitiveness are the key drivers for developing mobility solutions for customers. The Company's product stewardship encompasses product design, development, sales, service and end-of-life vehicles.

End-of-Life Vehicles

As a proactive organisation, Hero MotoCorp explores various options and evaluates various factors for possible scrapping of old and used vehicles. Hero MotoCorp is currently working with potential agencies to devise an effective mechanism for the End-of-Life Vehicle Strategy. The Company has also presented its views and inputs to regulatory bodies via permitted channels on the policy.

Standardisation in Material/ Components Concerning Environmental Factors

Hero MotoCorp has also evaluated the potential benefits/requirements of globally available environmental databases, such as the IMDS, for building a resilient and sustainable product portfolio, basis Technical Evaluation and subsequent buy-in of internal stakeholders; this strategy must be implemented.

"We should avoid the resistance from change, as we consider retaining the status quo."

Anirudh Kumar
Core Sustainability Team





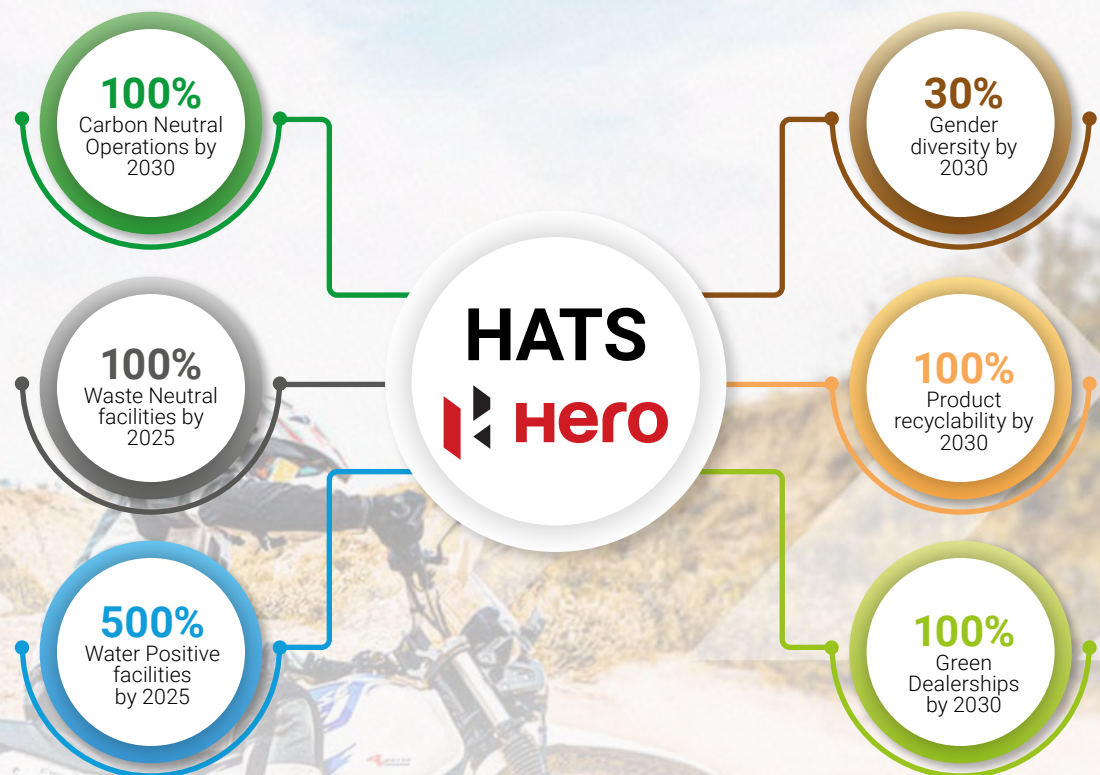
Our way forward

We have identified strategic focus areas aligned with our updated Sustainability Framework and have consolidated our efforts on target setting as per the Materiality Assessment. At the same time, areas for tactical focus are being worked upon and shall be disclosed as they progress. We shall also identify synergies between various targets to work effectively.

We believe that target setting as well as aligning to SDGs will go a long way in creating long-term value. At the same time, open communications with stakeholders are vital. We shall continue sharing our progress on various platforms, as we have been doing for years (DJSI, Sustainalytics, CII Corporate Excellence, GreenCo Ratings by CII). We keep all communication channels (direct feedback, input and suggestions) open to our stakeholders. Please reach out to us for any feedback on our sustainability journey.

Reach us at:
sustainability@heromotocorp.com

Hero MotoCorp's Ambitious Targets on Sustainability (HATS)





Assurance report

Price Waterhouse Chartered Accountants LLP

Independent practitioner's limited assurance report on Identified Sustainability Indicators in Hero MotoCorp Limited's Sustainability Report

To the Board of Directors Hero MotoCorp Limited

We have undertaken to perform limited assurance engagement for Hero MotoCorp Limited (the 'Company' or 'HMCL') vide Engagement Letter dated April 08, 2022 and addendum to Engagement Letter dated June 24, 2022 in respect of the agreed indicators/parameters listed below (the "Identified Sustainability Indicators"). These indicators/parameters are as identified in "Global Reporting Initiative Index" on page 111 of the Sustainability Report of the Company for the year ended 31 March 2022 (the 'Sustainability Report').

Identified Sustainability Indicators

The Identified Sustainability Indicators are summarized in Appendix 1 to this report.

Our limited assurance engagement was with respect to the financial year ended March 31, 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Sustainability Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Indicators are Global Reporting Initiatives Standards ("GRI Standards"), as set out in Appendix 1 to this report.

Management's Responsibility

The Company's management is responsible for identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Sustainability Report in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Sustainability Report and measurement of Identified Sustainability Indicators, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial indicators allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, greenhouse gas (GHG) quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 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.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Indicators based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Indicators, assessing the risks of material misstatement of the Identified Sustainability Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made enquiries of Company's management, including the various teams such as Sustainability team, Corporate Social Responsibility (CSR) Team, etc., and those with responsibility for managing Company's Sustainability Reporting
- Understood and evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites covered.
- Checked consolidation for various sites and corporate offices for ensuring the completeness of data being reported
- Performed limited substantive testing on a selective basis of the Identified Indicators/ parameters at corporate head office, and in relation to 2 sites located in India (Neemrana & Halol) to check that data had been appropriately measured, recorded, collated and reported;
- Reviewed the level of adherence to the reporting criteria and the reporting framework followed by the company in preparing the Sustainability Report
- Reviewed the Sustainability Report for detecting, on a test basis, any major anomalies between the information reported in the Sustainability Report on performance with respect to identified Sustainability Indicators and relevant source data/information
- Obtained representations from Company's Management

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Indicators have been prepared, in all material respects, in accordance with the Criteria.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 (ICAI registration number before conversion was 015754N).





Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the "Scope of Assurance";
- Aspects of the Sustainability Report and the data/information (qualitative or quantitative) other than the agreed Indicators/ parameters.
- Data and information outside the defined reporting period i.e. April, 2021 to March, 2022.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Indicators included in the Sustainability Report for year ended March 31, 2022 are not prepared, in all material respects, in accordance with the Criteria.

Restriction on Use

Our limited assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016
Chartered Accountants

H. Sabharwal

Heman Sabharwal
Partner
Membership Number: 093263
UDIN: 22093263AMBMFN3587

Place: Gurgaon
Date: July 01, 2022

Appendix 1

Identified Sustainability Indicators

S. No.	GRI Reference	Indicator
Environment		
1	301-1	Materials used by weight or volume (for sources Steel, Aluminium, Rubber, Plastic, ABS, Engine & Shocker oil and Non-Ferrous)
2	302-1	Energy consumption within the organization
3	302-3	Energy Intensity
4	302-4	Reduction of Energy Consumption
5	303-3	Water withdrawal
6	303-4	Water Discharge
7	305-1	Energy direct (Scope 1) GHG emissions
8	305-2	Energy indirect (Scope 2) GHG emissions
9	305-4	GHG emissions intensity
10	305-6	Emissions of ozone-depleting substances (ODS)
11	305-7	Nitrogen oxides (NOx), Sulphur oxides (SOx), and other significant air emissions
12	306-3	Waste generated
Social		
13	401-1	New employee hires and employee turnover
14	401-2	Additional benefits provided to full-time employees
15	401-3	Parental Leave
16	402-1	Minimum notice periods regarding operational changes
17	403-1	Occupational health & safety management system
18	403-2	Hazard identification, risk assessment & incident investigation
19	403-3	Occupational health services
20	403-5	Worker training on occupational health and safety
21	403-6	Promotion of worker health
22	403-8	Workers covered by occupational health and safety management system
23	403-9	Work-related injuries
24	404-2	Programs for upgrading employee skills and transition assistance programs
25	405-2	Ratio of basic salary and remuneration of women to men





Global reporting initiative index

GRI Standards: Core Option

GRI Standard		Title	Reference Section	Pg. No.
GRI 101: Foundation 2016 (GRI 101 does not include any disclosures)				
GRI 102 General Disclosures				
Organisational Profile & Strategy	102-1	Name of the organisation	About the report	8
	102-2	Activities, brands, products, and services	Hero MotoCorp - A Global Company, Our Subsidiaries Our Progress at Present – Rejuvenating the Current Growth Story Business Growth and Profitability	09,10,13,18, 49
	102-3	Location of headquarters	Hero MotoCorp - A Global Company	9
	102-4	Location of operations	Expanding across the globe	21
	102-5	Ownership and legal form	Responsible Investments to Pursue New Growth	26
	102-6	Markets served	Hero MotoCorp - A Global Company	9,10
	102-7	Scale of the organisation	Triple Bottom Line Highlights	33-35
	102-8	Information on employees and other workers	Our People, Social Inclusion	12,66
	102-9	Supply chain	Expanding Across the GlobeValue chain Sustainability	21,59-64
	102-10	Significant changes to the organisation and its supply chain	Risks & Opportunities Value chain Sustainability	28,59-64
	102-11	Precautionary Principle or approach	Our Excellence in Customer-centric Approaches	14-19
	102-12	External initiatives	Business Dealings With an External Ecosystem	24
	102-13	Membership of associations	Participation and Advocacy Continuing the Momentum	27,32
	102-14	Statement from senior decision-maker	Chairman's Message	3,4
	102-15	Key impacts, risks and opportunities	Emerging Risks Landscape	29-31
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	Fostering Best Corporate Governance	22
Governance	102-18	Governance structure	Sustainability Governance	23



Global reporting initiative index

GRI Standard		Title	Reference Section	Pg. No.
Stakeholder engagement	102-40	List of stakeholder groups	Stakeholder Engagement and Materiality	37-40
	102-41	Collective bargaining agreements	Our Workforce	77
	102-42	Identifying and selecting stakeholders	Stakeholder Engagement and Materiality	37-40
	102-43	Approach to stakeholder engagement	Stakeholder Engagement and Materiality	37-40
	102-44	Key topics and concerns raised	Stakeholder Engagement and Materiality	37-40
Reporting Practice	102-45	Entities included in the consolidated financial statements	About the report	8
	102-46	Defining report content and topic boundaries	About the report	8
	102-47	List of material topics	Stakeholder Engagement and Materiality	37-40
	102-49	Changes in reporting	About the report	8
	102-50	Reporting period	About the report	8
	102-51	Date of most recent report	About the report	8
	102-52	Reporting cycle	About the report	8
	102-53	Contact point for questions regarding the report	About the report	8
	102-54	Claims of reporting in accordance with the GRI Standards	About the report	8
	102-55	GRI content index	Global Reporting Initiative Index	111-115
	102-56	External assurance	Assurance Report	
GRI 200 Financial Topic				
103		Management Approach	Responsible Investments to Pursue New Growth	26
GRI 201 Economic Performance				
201-1		Direct economic value generated and distributed	Responsible Investments to Pursue New Growth	26



Global reporting initiative index

GRI Standard	Title	Reference Section	Pg. No.
GRI 204 Procurement Practices			
204-1	Proportion of spending on local suppliers	Responsible Investments to Pursue New Growth	26
GRI 300 Environmental Topics			
103	Management Approach	Strategy Our Sustainability Strategy Climate Protection	13, 43-45 100-101
GRI 301 Materials			
301-1	Materials used by weight or volume	Materials	105
301-2	Recycled input materials used	Materials	105
GRI 302 Energy			
302-1	Energy consumption within the organisation	Energy Management	103
302-3	Energy intensity	Energy Management	103
302-4	Reduction of energy consumption	Energy Management	103
GRI 303 Water			
303-3	Water withdrawal	Water	104
303-4	Water discharge	Water	104
GRI 305 Emission			
305-1	Energy direct (Scope 1) GHG emissions	Metrics for Greenhouse Gas Emissions and Targets	102
305-2	Energy direct (Scope 2) GHG emissions	Metrics for Greenhouse Gas Emissions and Targets	102
305-4	GHG emissions intensity	Metrics for Greenhouse Gas Emissions and Targets	102
305-6	Emissions of ozone-depleting substances (ODS)	Environmental Impact Assessment	108



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GRI Standard	Title	Reference Section	Pg. No.
305-7	Nitrogen oxides (NOx), Sulphur oxides (SOx), and other significant air emissions	Air Emissions	109
GRI 306 Effluents and Waste			
306-3	Waste Generated	Waste	106
GRI 401 Employment			
401-1	New employee hires and employee turnover	Social Inclusion: Diversity and Inclusion	78
401-2	Additional benefits provided to full time employees	Social Inclusion: Employee-centric HR Policies, Practices and Procedures	87-88
401-3	Parental leave	Social Inclusion: Human Rights Employee-centric HR Policies, Practices and Procedures	75,88
GRI 402 Labour/Management Relations			
402-1	Minimum notice periods regarding operational changes	21 days (as per Industrial Disputes Act, 1947)	-
GRI 403 Occupational Health and Safety			
403-1	Occupational Health and Safety Management System	Occupational Health Services	70
403-2	Hazard identification, risk assessment, and incident investigation	Hazard Identification and Risk Assessment	73-74
403-3	Occupational health services	Occupational Health Services	70-74
403-5	Worker training on occupational health and safety	Health and Safety Training	72-73
403-6	Promotion of worker health	Health and Wellness Initiatives	68-70
403-8	Workers covered by an occupational health and safety management system	Health, Safety and Well-being	67
403-9	Work-related injuries	Striving for a Zero-incident Culture Health and Safety	72
GRI 404 Training and Education			



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GRI Standard	Title	Reference Section	Pg. No.
404-1	Average hours of training per year per employee	Training Programmes for Employees	84
404-2	Programs for upgrading employee skills and transition assistance programs	Skill Development	89
GRI 405 Diversity and Equal Opportunity			
405-2	Ratio of basic salary and remuneration of women to men	Employee-centric HR Policies, Practices and Procedures	87
GRI 406 Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Talent Management	83-87
GRI 416 Customer Health & Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Customer Satisfaction	53
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Compliance – Existing and Beyond	25
GRI 417 Marketing & Labelling			
417-1	Requirements for product and service information and labeling	Compliance – Existing and Beyond	25
417-3	Incidents of non-compliance concerning marketing communications	Compliance – Existing and Beyond	25



Business Responsibility & Sustainability Report (BRSR) Linkage

S.No.	Disclosure Description	Page No.
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2.	Products sold/services offered by the entity	9-10, 18
3.	Details of employees and workers	77
4.	Participation/inclusion/representation of women (including people with disabilities)	76
5.	Turnover rate for permanent employees and workers	78
6.	Holding/subsidiary/associate companies/joint ventures	13,21
7.	Grievance redressal mechanism for stakeholders	22,54
8.	Overview of the entity's material responsible business conduct and sustainability issues	23
SECTION B: MANAGEMENT AND PROCESS DISCLOSURES		
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10.	Statement by Director responsible for the report to highlight ESG issues	3-5
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SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE		
PRINCIPLE 1 Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.		
13.	Details of fines/penalties/punishment/awards/compounding fees/settlement amounts	25,36,48
14.	Details of anti-corruption or anti-bribery policy	https://www.heromotocorp.com/en-in/about-us/key-policies/vigil-mechanism-policy.html 61
15.	Processes to avoid/manage conflict of interests involving members of the Board/KMPs	https://www.heromotocorp.com/en-in/the-company/code-of-conduct/conflicts-of-interest.html 25



BRSR Linkage

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17.	Processes in place to reclaim products for reuse, recycle and safe disposal of products at the end of life	107, 109
18.	EPR plan	107
19.	Life cycle assessment	109
20.	Recycled or reused input material as a percentage of total input material	105
21.	Reclaimed products and their packaging materials (as a percentage of products sold) for each product category	107
PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.		
22.	Measures for the well-being of employees and workers	67
23.	Accessibility of workplaces	67
24.	Return to work and retention rates of permanent employees/workers that took parental leave	75,88
25.	Details of training imparted to employees and workers on health and safety measures and skill upgradation	72-73,89
26.	Details of performance and career development reviews imparted to employees and workers	89
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31.	Process for identification of key stakeholders	37-40
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34.	Details of instances of engagement with and actions taken to address the concerns of vulnerable/marginalised groups	37-40



BRSR Linkage

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35.	Training on human rights issues and policies	75
36.	Details of remuneration/salary/wages (including for people with disabilities)	87
37.	Disclosure of complaints made by employees and workers on sexual harassment, discrimination at the workplace, child labour, forced labour/ involuntary labour, wages or other human rights-related issues	22,75
PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment.		
38.	PAT scheme of the Government of India	33.
39.	Details of total water withdrawn, consumed and water intensity ratio	104
40.	Zero Liquid Discharge policy	104
41.	Disclosure of air emissions	109
42.	Details of Scope 1 and Scope 2 GHG emissions and GHG intensity	102
43.	Details of waste generated, recycled, reused and disposed of	106
44.	Description of waste management practices	106
45.	Details of EIA	108
46.	Breakdown of the total energy consumed from renewable and non-renewable sources	103
47.	Details of water discharged	104
48.	Details of water withdrawn, consumed and discharged in areas of water stress	104
49.	Scope 3 emissions	102
50.	Impact on biodiversity	91-92,108



BRSR Linkage

S.No.	Disclosure Description	Page No.
PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policies, should do so in a manner that is responsible and transparent.		
52.	Details of public policy positions advocated by the entity	
PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.		
53.	Details of Social Impact Assessments (SIA)	
54.	Describe the mechanisms to receive grievances of the local community	
55.	Percentage of input directly sourced from MSMEs/small producers	
56.	CSR projects undertaken in aspirational districts	91-98
57.	Details of the benefits derived and shared from the intellectual properties owned or acquired by the company based on traditional knowledge shared	16
58.	Details of beneficiaries of CSR projects	91-98
PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.		
59	Details of instances of product recall on account of safety issues	50
60.	Channels/platforms where information on goods and services of the business can be accessed	https://www.heromotocorp.com/en-in/the-bike/two-wheeler-motorcycles.html https://www.heromotocorp.com/en-in/genuine-motorcycle-parts/




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