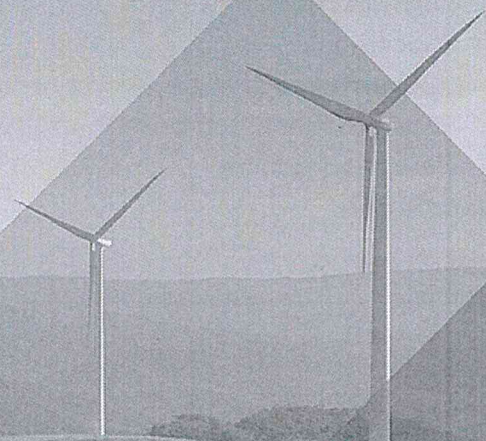




WHEELS INDIA LIMITED

**ENVIRONMENT,
SOCIAL &
GOVERNANCE
(ESG) POLICY**



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**Issue No.: 01****Issued: November 2025****Policy responsibility: Head of Sustainability****1.Introduction**

At Wheels India Limited (WIL), we recognize that achieving long-term corporate sustainability requires not just financial performance but also ethical governance, social responsibility, and environmental stewardship. Our ESG policy provides a framework for integrating sustainability into our operations, decision making, and value chain. We are dedicated to reducing our environmental impact, creating inclusive and safe work environments, respecting human rights, and operating with the utmost honesty and transparency. By implementing this policy, we hope to assure resilience and competitiveness in a world that is changing quickly, provide shared value for our stakeholders, and support national and international sustainability goals.

Commitment to NGRBC principles

Wheels India Limited (WIL) formally endorses and is committed to the National Guidelines for Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs, Government of India. These nine principles serve as the foundation of our Environmental, Social, and Governance (ESG) approach and are aligned with international frameworks such as the UN Global Compact, ILO Conventions, and the UN Guiding Principles on Business and Human Rights.

WIL's ESG commitments are guided by the following NGRBC Principles:

- **P1:** Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable.
- **P2:** Businesses should provide goods and services in a manner that is sustainable and safe.
- **P3:** Businesses should respect and promote the well-being of all employees, including those in their value chains.
- **P4:** Businesses should respect the interests of and be responsive to all their stakeholders.
- **P5:** Businesses should respect and promote human rights.
- **P6:** Businesses should respect, protect, and make efforts to restore the environment.
- **P7:** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

- **P8:** Businesses should promote inclusive growth and equitable development.



- **P9:** Businesses should engage with and provide value to their consumers in a responsible manner.

Through this commitment, WIL ensures that its ESG framework reflects both national priorities and global sustainability standards, embedding responsible business conduct across all its operations and value chain.

2. Scope

This ESG policy is applicable to all Wheels India Limited plants, business units, employees, and functions in all our locations. Our business partners, suppliers, and contractors are also expected to adhere to our ESG values. Environmental stewardship, labour and human rights, ethical corporate practices, responsible procurement, stakeholder involvement, and governance procedures are all included in the policy. It offers a structure for establishing goals, carrying out plans, keeping track of developments, and reporting results, guaranteeing that sustainability is ingrained throughout our value chain. All the targets mentioned in this policy are referenced to a base year of 2022-23.

3. Environment Policy

We at Wheels India Limited are dedicated to minimizing the environmental impact of our operations and commercial activities. Our commitment to operating in a sustainable and responsible manner, in line with our basic principles and our regard for the environment, is exemplified by our Environment Policy

We commit to protect environment, biodiversity and ecosystems including soil and ground water quality through prevention of environmental pollution, and conservation of natural resources through reduction, reuse, recycling, recovery and replacement practices.

Objectives

3.1 Water

- **By 2028, we aim to achieve water neutrality** through implementing recycling programs, groundwater recharge through rainwater harvesting, and conservation measures. Additionally, we will strive to minimize water intensity in all processes.
- Periodically, we will assess and report on our performance to ensure alignment with our goals.
- Continual improvement to reduce freshwater consumption through reduce, reuse, and recycle concepts, innovations, digitalization, new and emerging technologies.
- Promote clean water and sanitation access to all as a sustainable development goal and adherence to all water regulations.



3.2 Materials, chemicals, and waste

- We will minimize the environmental impact of materials and chemicals used in our operations by promoting safe handling, substitution with sustainable alternatives wherever possible and ensuring compliance with all applicable regulations.
- We aim to work towards achieving **zero waste to landfill by 2030** through the adoption of reduce, reuse, and recycle strategies, subject to technological and feasibility development, while also reducing waste intensity across our operations.
- To maintain accountability and ongoing progress, we will track and report on our progress on a regular basis

3.3 Energy consumption and GHGs

- We will use process improvements, energy efficiency, and conservation techniques to reduce energy intensity (Fuel and Power) year after year. Energy efficiency consideration will be an integral part of the design of our products, processes, facility, equipment selection, and procurement of goods and services.
- As a part of our carbon neutral goals, we will continuously improve energy efficiency and decarbonize replacing fossil fuels with renewable energy sources using new and emerging technologies like heat pumps, heat recovery, IoT-driven energy efficiency saving solutions.
- **Renewable Energy:** We will increase energy from **renewable energy sources like solar, wind to 75% by 2026** for powering our operations through investments in onsite and off site renewable energy power plants.
- We aim to progress towards **carbon neutrality in scope 1 & 2 by 2033** based on achievable emission reduction pathways and periodic performance assessments.
- We aim to complete the **scope 3 inventory by 2027**, subject to supplier data availability
- To maintain and enhance performance in energy intensity, GHG intensity, and renewable energy usage year after year, we aim to allocate capital expenditure (Capex). Through creative production techniques and material circularity, we will also improve resource efficiency in terms of both materials and energy.
- We will regularly monitor, review, and report our progress to ensure continuous improvement towards our targets.

3.4 Air pollution

- **WIL is currently implementing stringent strategies to reduce air pollutant levels well below the SPCB (State Pollution Control Board) and CPCB (Central Pollution Control Board) compliance targets. Our current AQI targets are PM10-50mg/cu m, PM 2.5 - 37.5 mg/cu m, SOx - 20 mg/cu m and Nox - 40 mg/cu m which are well**



below the prescribed levels. We will ensure that our AQI targets are met on a continuous basis.

- To guarantee ongoing improvement, track, evaluate, and openly communicate air emissions and targets of progress on a regular basis.

3.5 Product use

- We will produce goods that are safe, environmentally friendly, and energy efficient for the duration of their useful lives.
- **Perform life cycle assessments on 4 products in our portfolio annually** to minimize the environmental impact of products through their life cycle.
- We will monitor product performance in real-world use and collaborate with customers to promote sustainable usage practices.

3.6 Customer health and safety

- We will ensure that all products are designed, manufactured, and delivered with the highest standards of safety and compliance, safeguarding the health and well-being of customers and end-users.
- We will continuously monitor product performance, gather customer feedback, and transparently report on safety performance to drive continuous improvement.

3.7 Product end-of-life

- We will responsibly use items that are obsolete or channel them into the recycling process once their life is over or they are determined to be unfit for use. End of life or recycling offers customers the chance to recycle materials for other purposes.
- By 2026, we will offer comprehensive end of life disposal and recycling instructions to all our clients.
- We will increase product recoverability and recyclability rates annually with a long-term goal of **45% recycled content in our CAW (Cast Aluminium Wheels) products by 2030.**

4. Social Policy

At Wheels India Limited (WIL), we consider respecting and protecting human rights and labour to be crucial to creating a secure, equitable, and welcoming work environment. Respecting each person's dignity promotes long-term corporate sustainability and trust in addition to strengthening our communities and people.



Objectives

4.1 Employee Health & Safety

- Our goal at Wheels India Limited (WIL) is to provide a safe, clean, and compassionate work environment that respects the worth and welfare of every employee, especially those with special needs. Eliminating dangers, lowering risks to occupational health and safety, and adhering to all legislative requirements under the Factories act and other relevant legislation are our objectives.
- We will ensure a strong safety culture and complete staff involvement to prevent injuries and illness.
- We will establish, evaluate, and meet quantifiable goals and targets to continuously enhance health and safety performance.
- We will employ the required tools, instructions, and staff involvement programs like SHE Marshals, to encourage knowledge, safety behavior, and adherence to PPE use. We will organize frequent SHE (Safety, Health, and Environment) marshal meetings with follow-ups and action plans in writing.
- We will use tools like Health Identification and Risk Analysis (HIRA), Job Safety Analysis (JSA), and Switch on 2 S.A.F.E (Safety Action for Employees) to improve safety performance.
- **We will ensure that all subcontractors follow WIL's health and safety guidelines as well as all applicable laws.** We will also mandate safety training for their employees before they start working on our premises.
- We will aim to **cover 100% of employees and workers on Health & Safety training**
- We aim to obtain **ISO 45001 certification for 100% of WIL facilities by 2030**, ensuring alignment with global best practices in occupational health and safety management.
- We will continue to exhibit strong commitment to safety standards by maintaining a **safety audit compliance score of at least 85%**
- In order to ensure fewer serious injuries that prevent workers from reporting to work, we plan to ensure that the **Lost Time Injury Frequency Rate (LTIFR) is 0.3 or below every year.**

4.2 Working Conditions

- We will offer a sanitary, hygienic, and secure workplace with the right amenities and safety precautions.
- Aim to control noise pollution and its impact through noise control measures and technology solutions
- We comply with statutory limits on working hours and provide adequate rest periods.
- We have clear and easily accessible procedures in place that allow workers to voice complaints about their working conditions without worrying about reprisals.



- We will achieve a timely **resolution of 100% employee grievances relating to working conditions within the timeline agreed with the committee.**
- Conduct annually working conditions surveys with employees and workers and ensure a **working conditions satisfaction score of 80% by 2027**

4.3 Social Dialogue

- We are dedicated to promoting courteous, honest, and open communication with all employees and their representatives. We will support consultation and engagement that build social cohesion, workplace harmony, and trust while defending the right to collective bargaining and freedom of association.
- We have established official grievance procedures and communication channels for all operations, making sure they are lawful, accessible, available in local languages, predictable, equitable, transparent, and compatible with human rights.
- We will hold regular meetings with employee representative bodies to maintain a climate of trust and social cohesion.
- Ensure that **100% of permanent workers are covered by worker representation as mandated by law**

4.4 Career Management & Training

- We will ensure that training, learning programs, and professional development are accessible to all without discrimination.
- Employee competencies and skills will be continuously improved to address current and upcoming business issues.
- We will encourage people to take calculated risks and be innovative in order to propel both organization and personal development.
- We will provide opportunities to expose employees to a variety of global practices and learning possibilities.
- We will encourage career advancement, engagement, and employee morale with successful HR initiatives.
- We strive to ensure that **100% of employees complete a minimum of 20 annual training hours relevant to their roles by 2027.**
- We seek to achieve an **attrition rate of 9% or below by 2028.**
- **Implement Individual Development Plans (IDPs) for 100% of permanent employees by 2028.**

4.5 Child Labour, Forced Labour & Human Trafficking

- We strictly prohibit child labour, forced labour, and human trafficking in any form across all our operations and supply chain.



- We uphold human dignity and ensure fair, voluntary, and lawful employment procedures in line with international and national laws.
- We seek to ensure that **100% of suppliers sign and comply with WIL Supplier Code of Conduct by 2027, which prohibits child labour and forced labour.**

4.6 Discrimination & Harassment

- We do not engage in or condone discrimination on the basis of gender, caste, religion, age, race or differently abled.
- We forbid any kind of harassment, whether sexual or not, that involves coercion, intimidation, threats, or mockery of another person.
- We uphold an efficient prevention of Sexual Harassment (POSH) policy backed by an internal compliant redressal committee and adhere to the sexual harassment of women at workplace (prevention, prohibition, redressal) Act, 2013.
- We are dedicated to advancing an inclusive, equitable, and respectful culture that has no room for abusive conduct.
- We strive to achieve **100% employee coverage under POSH awareness and anti-harassment training annually.**
- We make sure that all complaints of harassment and discrimination are recognized and addressed as per POSH policy.
- **By 2030, we aim for at least 15% of new hires to be women,** demonstrating balanced gender representation in leadership and recruitment.

4.7 Living wage

- We will ensure timely payment and fair living wages to meet basic needs and economic security of the employees according to the city they live in.
- **By 2030, we strive to make sure that 100% of employees and workmen are paid the benchmarked living wage and the legal minimum wage.**
- We will be extending legal minimum wages throughout our supply chain by encouraging contractors and suppliers to make comparable pledges.
- We will ensure that 100% of Tier 1 suppliers are evaluated for adherence to WIL's legal minimum wage requirements by 2030.

5. Governance & Ethics Policy

At Wheels India Limited (WIL), we are dedicated to operating with the utmost honesty, equity, and transparency possible. Our ethics policy provides a framework for ensuring that all stakeholders respect moral principles, abide by legal requirements, and conduct themselves ethically in all company interactions. This policy reaffirms our dedication to integrity, responsibility, and regard for individuals, the environment, and society.



Objectives

5.1 Fraud & Corruption

- We have a zero-tolerance policy against fraud & corruption in any form including bribery, and facilitation payments. No employee is allowed to take part in any action that aims to cheat someone of their money, goods, or services. Resources and money belonging to the company must be used carefully and exclusively for justifiable business needs.
- By 2027, we will make sure that all staff members in sensitive departments (finance procurement, audit, and compliance) receive yearly fraud & corruption prevention training.
- We are collectively responsible for the funds and resources under control. We pledge to maintain accurate and timely records, conduct independent audits, and conduct reviews on a regular basis. To safeguard the business and its stakeholders, any infractions will be carefully examined, and necessary disciplinary or legal measures will be implemented.

5.2 Conflict of interest

- At Wheels India Limited (WIL), we're dedicated to making sure that employees always act in the company's best interest.
- Any arrangement, relationship, or situation including familial or personal ties that could impair or seem to impair impartial decision making or loyalty to the company is prohibited for employees.
- We will make sure that workers don't make any final decisions on any business agreements or contracts involving companies where their friends or family hold important roles.
- We require employees to be completely transparent about their relationship with important individuals in the relevant company, declare any conflicts of interest, and refer such concerns to the corporate HR head.
- We will forbid workers from using any other worker, supplier, or contractor of the business for their own benefit.
- Every employee is expected to proactively detect and declare any conflicts of interest. It will be considered a violation of company policy if this isn't done.
- WIL will examine conflicts that have been reported, make sure staff members don't make decisions about them, and take appropriate disciplinary action when they don't comply with them.



5.3 Anti-competitive practices

- At Wheels India Limited (WIL), we are dedicated to moral business practices and fair competition. We will only advertise our goods and services based on their merits, and we won't disparage, unfairly describe, or use deceptive language about those of our rivals.
- We make sure that all corporate partnerships, joint ventures, and collaborations are examined for anti-competitive risks before being approved by 2027.
- We make sure that all staff members in leadership, marketing, sales, and procurement positions receive required yearly training on antitrust laws, and fair business practices by 2027.
- We will keep open lines of communication, conduct recurring audits to ensure compliance, and examine business contracts for potential anti-competitive issues.

5.4 Money laundering

- We are committed to preventing money laundering, terrorist financing, and other illicit activities across all our business.
- We will gather strong knowledge about customers and suppliers, through due diligence, and third-party screening processes.
- We are committed to maintaining accurate financial records and transparent reporting to regulatory authorities
- We will ensure 100% of all employees in finance, procurement, and compliance functions are trained on AML practices and reporting obligations
- We will **seek compliance certification under ISO 37001 (Anti- Bribery Management) by 2030 and align with global AML standards.**

5.5 Responsible information management

- At Wheels India Limited (WIL), we are dedicated to protecting our IT assets, customer, vendor, and internal data, as well as personal information.
- Through role-based access and stringent privacy procedures, we will safeguard company devices and networks, protect sensitive data, and make sure that data is kept and disposed of appropriately.
- In terms of risk mitigation, data backup, secure network access, employee data privacy training, asset tracking, and data retention/disposal procedures, we strive for 100% compliance.
- Regular audits, risk assessments, and IT security evaluations will be used to monitor compliance. Employees directly accountable for protecting data under their control, and vendors will be contractually aligning with the WIL ESG expectations
- **We plan to have ISO 27001 certification by 2027.**



6. Sustainable Procurement

WIL prioritizes sustainability and responsible sourcing throughout its value chain. WIL aims to uphold the principles of responsible sourcing of materials and consistently enhance its sustainability performance. WIL is dedicated to maintaining the values associated with human rights, Labour standards, environmental protection, and anti-corruption measures in both its internal operations and Supply chain.

These objectives have been developed in alignment with and should be read in conjunction with the Sustainable Supply Chain Policy dt. 15.11.2024, which provides specific guiding principles and implementation mechanisms.

All suppliers shall be contractually bound through the WIL Supplier Code of Conduct. WIL reserves the right to conduct supplier audits, require corrective action plans, and suspend or terminate business relationships in cases of repeated or material non-compliance.

Objectives

6.1 Sustainable procurement policy on environmental issues

- We will prioritize suppliers who adhere to environmentally friendly practices, sustainable sourcing, and comply with environmental standards in order to include environmental sustainability into procurement decisions.
- We will collaborate with suppliers to eradicate conflict minerals, lessen environmental impact, and advance the concepts of the circular economy across the value chain.
- Recognizing that approximately 85% of WIL's procurement (by value) comes from global suppliers in steel, aluminium, paint, and electrode sectors, who already disclose sustainability credentials and report Scope 1 & 2 emissions publicly, WIL will build on this strong base.
- For the remaining supplier base, WIL will set a progressive target of **5 non major suppliers per year** to disclose Scope 1 & 2 emissions, ensuring steady progress while leveraging existing global supplier transparency.
- WIL will increase sustainable sourcing by **5 non major suppliers each per year**, giving preference to suppliers exhibiting exceptional sustainability practices.
- We will conduct on-site audits and self-evaluations to examine supplier performance to make sure the Code of Conduct is being followed.

6.2 Supplier social practices

- In order to do business with Wheels India Limited (WIL), suppliers must accept and abide by the social, and ethical obligations outlined in the Supplier Code of Conduct.



- Suppliers are required to maintain ethical business behaviour, protect human rights, provide safe and healthy working conditions, and enforce fair labour standards.
- WIL intends to sustain and expand its inclusive procurement practices. By 2030, WIL will extend the preference of **at least 0.3% of procurement by value** to inclusive suppliers (such as those representing differently abled groups, women entrepreneurs, or marginalized community-based enterprises) across plants.

7. Governance & Responsibilities

The Managing Director (MD) holds the highest decision-making authority on this ESG Policy and provides overall oversight of its implementation. The MD is assisted by the respective **Business Unit Heads and ESG core team**. They will oversee and assess adherence to the policy. The Business Unit heads must be notified of any complaints or grievances pertaining to infractions of this policy so that they can be appropriately reviewed and resolved.

At the execution level, responsibilities are as follows:

Environment

- **Responsible Function:** Plant Engineering, Plant Operations and EHS (Environment, Health & Safety) Team.
- **Key Responsibilities:**
 - Implement energy efficiency, water conservation, waste management, and emissions reduction initiatives.
 - Ensure compliance with environmental regulations and certifications (e.g., ISO 14001).
 - Track and report environmental KPIs (GHG emissions, energy, water, waste) to the BUH's and MD.
 - Drive awareness programs and train employees on environmental responsibility.

Social

- **Responsible Function:** Human Resources (HR) Department
- **Key Responsibilities:**
 - Uphold fair labor practices and ensure compliance with ILO conventions, national laws, and company policies.
 - Guarantee safe and healthy working conditions in line with OHS standards.
 - Prevent child labor, forced labor, and discrimination in all operations.



- Ensure effective grievance redressal mechanisms and freedom of employee representation.
- Monitor diversity, equity, and inclusion (DEI) goals and employee engagement levels.

Governance & Ethics

- **Responsible Function:** Secretarial, supported by Legal and Internal audit.
- **Key Responsibilities:**
 - Enforce the Code of Ethics, Anti-corruption, and Anti-bribery policies.
 - Conduct annual ethics training for 100% employees, with enhanced modules for high-risk functions.
 - Oversee the whistleblowing mechanism, ensuring anonymity, non-retaliation, and timely resolution of grievances.
 - Monitor fraud risks, conflicts of interest, and anti-competitive practices.
 - Report compliance findings periodically to the BUH's and ESG core team.

Sustainable Procurement

- **Responsible Function:** SCM (Supply Chain Management) Department at unit level .
- **Key Responsibilities:**
 - Integrate ESG criteria into supplier selection, contracting, and performance evaluation.
 - Conduct supplier risk assessments for labour rights, ethics, and environmental performance.
 - Ensure that 100% of high-risk suppliers undergo due diligence and audits.
 - Conduct capacity-building programs for suppliers on sustainability practices.
 - Drive adoption of responsible sourcing standards and promote local, ethical, and sustainable suppliers.

8. Review Mechanism

- Progress against the policy objectives shall be reviewed annually by the Managing Director and reported by the ESG core team.
- The ESG core team and Internal audit will examine ethical compliance once a year. Ethical hazards will be identified and reduced through regular risk assessments.
- Regular audits, employee engagement surveys, grievance procedures, and performance reviews are used to review labor and human rights obligations. Internal monitoring is supplemented by statutory inspections and independent reviews. To



guarantee constant improvement and conformity with national regulations and international standards (such as ILO conventions and UNGPs), progress is frequently reviewed by the ESG core team.

- Performance KPIs such as water use, energy and GHG reductions, and product stewardship, etc shall be tracked and reported.
- The policy shall be reviewed periodically for relevance by the respective stakeholders and any changes to the policy shall be discussed and reviewed during the annual review and implemented.
- Any corrective action plans based on audit outcomes shall be discussed and integrated during the review.

9. Conclusion

At Wheels India Limited (WIL), our ESG policies represent our beliefs and our obligation to people, the environment, and ethical corporate conduct. They go beyond simply being a matter of compliance. We hope to generate long-term value for our stakeholders and make a positive impact on the environment and society by integrating sustainability, accountability, and transparency into every facet of our business operations. Since ESG is an ongoing process, we are dedicated to evaluating our performance on a frequent basis, establishing challenging goals, and promoting quantifiable advancements. By working together, we can make sure that WIL fulfills its obligations as a responsible corporate citizen and while producing high quality goods.

Srivats Ram
Managing Director

