



Environment, Social and Governance (ESG) Policy

Hyundai Motor India Limited

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HMIL’s Vision and Core Values

HMIL aligns its ESG philosophy with Hyundai Motor Company’s global vision of **“Progress for Humanity.”**

This vision reflects the company’s belief that technological innovation and business growth must contribute meaningfully to human well-being, social progress, and environmental sustainability.

Under this vision, HMIL commits to:

- Advancing safety, inclusive, and sustainable mobility
- Leveraging innovation to address environmental and societal challenges, with a commitment to achieve carbon neutrality by 2045
- Creating long-term value for customers, employees, communities, and society

“Progress for Humanity” serves as the guiding principle for HMIL’s ESG strategy, decision-making, and stakeholder engagement.

HMIL’s Core Values

Customer Centricity	HMIL places customers at the heart of every decision by: <ul style="list-style-type: none">• Delivering safe, reliable, and superior-quality mobility solutions.• Continuously enhancing the customer experience through innovation and responsiveness.• Building transparent, trustworthy, and enduring relationships with customers.
Collaboration and Mutual Respect	HMIL nurtures a culture of collaboration anchored in mutual respect throughout its workforce and value chain by: <ul style="list-style-type: none">• Promoting teamwork, inclusion, and diversity as fundamental organizational pillars.• Cultivating strong, constructive partnerships with suppliers and business allies.• Engaging in respectful and open dialogue with diverse communities and stakeholders.

Innovation with Purpose

At HMIL, innovation is purpose-driven, aiming to enhance lives while minimizing environmental impact through:

- Developing sustainable, low-emission mobility solutions aligned with global climate goals.
- Embracing cutting-edge manufacturing technologies and digital transformation.

Continuously advancing resource efficiency and circular economy principles.

Responsibility and Integrity

HMIL upholds unwavering standards of ethics and accountability by:

- Adhering strictly to applicable laws, regulations, and industry standards.
- Maintaining a zero-tolerance policy toward corruption, fraud, and unethical behavior.

Ensuring transparent governance is supported by responsible and principled leadership.

Sustainability and Long-Term Value Creation

Committed to resilient business growth, HMIL integrates sustainability to:

- Embed ESG principles strategically within all facets of operations.
- Advance climate resilience and proactive environmental protection.
- Foster social progress through meaningful community development initiatives.

Introduction

Hyundai Motor India Limited (hereinafter referred to as “HMIL,” “Company,” or “We/Us/Our”) recognizes that value creation for all internal and external stakeholders is the fundamental purpose of the Company’s existence. We are committed to integrating environmental, social, and ethical principles into our core business practices. This dedication not only improves the well-being of the communities we serve but also enhances long-term value for our stakeholders.

Our ESG Policy (hereinafter referred to as “the Policy”) is guided by along with global reporting standards, ratings, and principles such as the Global Reporting Initiative (GRI), the Dow Jones Sustainability Index (DJSI), the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs (MCA) in 2011, and its revised version, the National Guidelines on Responsible Business Conduct (NGRBCs) issued in 2019. Additionally, the Policy aligns with the regulatory framework established under the Companies Act, 2013 (CA 2013) along with the Rules made thereunder, as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), which collectively provide comprehensive guidance on ESG reporting and responsible business conduct in India.

Scope and Applicability

This Policy is applicable to every HMIL operation and all associated stakeholders.

Oversight of the Policy

The Risk Management Committee and the Board shall exercise oversight of Environmental, Social, and Governance (ESG) matters. However, the final authority for the approval of the ESG Policy, as well as related ESG strategy and initiatives, shall rest solely with the Board.

Our Commitment

- Identify, prioritize, and manage key sustainability areas that are most relevant to the automotive sector, including resource efficiency, emissions reduction, and circular economy practices.
- Develop clear strategies with measurable goals and action plans, overseen by our Board of Directors, with targets and performance metrics aligned to BRSR/BRSR Core indicators, including value chain disclosures where applicable.
- Build a robust governance framework to manage ESG risks and opportunities, ensuring accountability across all levels of our automotive operations and supply chain.
- Transparently report on our sustainability performance in line with globally accepted frameworks to maintain stakeholder trust and promote continuous improvement.

Principles of the Policy

At HMIL, we are deeply committed to maintaining the highest environmental, social, and ethical standards throughout all aspects of our operations. We ensure strict compliance with all applicable laws and regulations, guided by integrity and transparency. Furthermore, we actively collaborate with our stakeholders to identify and address key sustainability issues that are relevant and material to our business.

Environment	Social	Governance
<p>Through timebound commitments and ESG focused initiatives, HMIL aims to grow its business while progressively decoupling environmental impact from growth. As an automotive manufacturer, we recognize the responsibility to address climate change, resource efficiency, and lifecycle environmental impacts while supporting India’s transition to sustainable mobility.</p> <p>We are committed to protecting and improving the health of the planet through responsible operations and products.</p>	<p>Through our operations, workforce, dealer network, and extended value chain across India, HMIL strives to create positive social impact and support inclusive growth. We recognize the importance of safe workplaces, fair labor practices, product safety, and community wellbeing in building a resilient and trusted automotive ecosystem.</p>	<p>Conducting business with integrity, transparency, and accountability has always been central to HMIL’s corporate conduct. Operating in a highly regulated and capital-intensive automotive industry, HMIL recognizes the importance of strong governance to manage risks, ensure compliance, and safeguard stakeholder interests.</p> <p>While our governance framework continues to evolve, our values and principles remain in our guiding foundation.</p>

Our Focus Areas

Environmental Focus Areas

- Climate action and emissions reduction across the vehicle lifecycle
 - Driving reductions in Scope 1 and Scope 2 greenhouse gas emissions across manufacturing operations
 - Increasing the share of renewable energy in manufacturing facilities
 - Advancing toward carbon-neutral operations in line with defined transition timelines
 - Expanding the share of electric vehicles in the overall product portfolio
- Sustainable mobility and resource-efficient manufacturing
 - Accelerate the transition to sustainable mobility by enabling a nationwide EV charging ecosystem, supported by strategic partnerships to strengthen infrastructure along key mobility corridors
 - Improving energy efficiency across manufacturing processes
 - Enhancing waste recycling rates and adoption of circular economy practices
- Water stewardship, waste management, and circular economy practices
 - Reducing absolute and intensity-based water consumption across operations
 - Strengthening waste segregation, treatment, and disposal effectiveness
 - Ensuring compliance and readiness for End-of-Life Vehicle (ELV) regulations

Social Focus Areas

- Health, safety, and well-being of employees, contractors, and customers
 - Reducing workplace injuries through improved safety management and monitoring
 - Expanding employee health and safety training coverage
 - Enhancing employee engagement through regular feedback and improvement actions
- Equity, diversity, inclusion, and people development
 - Improving gender diversity across workforce and leadership roles
 - Increasing training and capability-building hours per employee
- Community development, skill building, and road safety initiatives
 - Investing in community development programs aligned with CSR priorities
 - Scaling education, skilling, and community engagement initiatives
 - Conducting road safety awareness and training programs

Governance Focus Areas

- Robust Governance, Transparency & Risk Management
 - Strengthening Board independence and governance transparency, including oversight of related-party transactions and protection of minority shareholder interests

- Enhancing ESG and climate-risk disclosure quality and assurance, aligned with BRSR and relevant global standards
- Transparency, compliance, and risk management
 - Improving the completeness and quality of ESG disclosures under BRSR and global standards
 - Expanding third-party assurance of key ESG data
 - Strengthening climate-risk identification, assessment, and disclosure practices
- Responsible value-chain practices and supplier engagement
 - Expanding ESG audits and assessments across the supplier base
 - Strengthening human rights due diligence processes within the supply chain

Grievance Mechanism

HMIL is committed to maintaining transparency, accountability, and fairness in all its operations. To uphold these values, we have established **Grievance Redressal Mechanism** that ensures timely and effective resolution of concerns raised by our stakeholders.

We recognize the right of the following stakeholder groups to raise complaints or grievances, and we provide structured channels for their redressal:

- **Communities** – Concerns related to social, environmental, or community impact.
- **Investors (other than shareholders)** – Issues regarding financial dealings, disclosures, or investment-related matters.
- **Shareholders** – Matters concerning shareholder rights, dividends, governance, or disclosures.
- **Employees and Workers** – Workplace grievances including working conditions, discrimination, harassment, or employment practices.
- **Customers** – Complaints related to product quality, service delivery, or customer experience.
- **Value Chain Partners** – Issues arising from supply chain practices, contractual obligations, or ethical standards.

Reporting and Communication

Our ESG initiatives and impacts will be communicated regularly through sustainability reports and stakeholder engagements, ensuring openness with employees, customers, investors, and regulators.

Review of the Policy

Any inconsistencies in this Policy shall be subject to the prevailing law. To ensure continued relevance with evolving industry standards and stakeholder expectations, the Policy will be reviewed every three years by the Risk Management Committee, incorporating feedback from ongoing stakeholder engagement.