

**VE COMMERCIAL VEHICLES**  
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

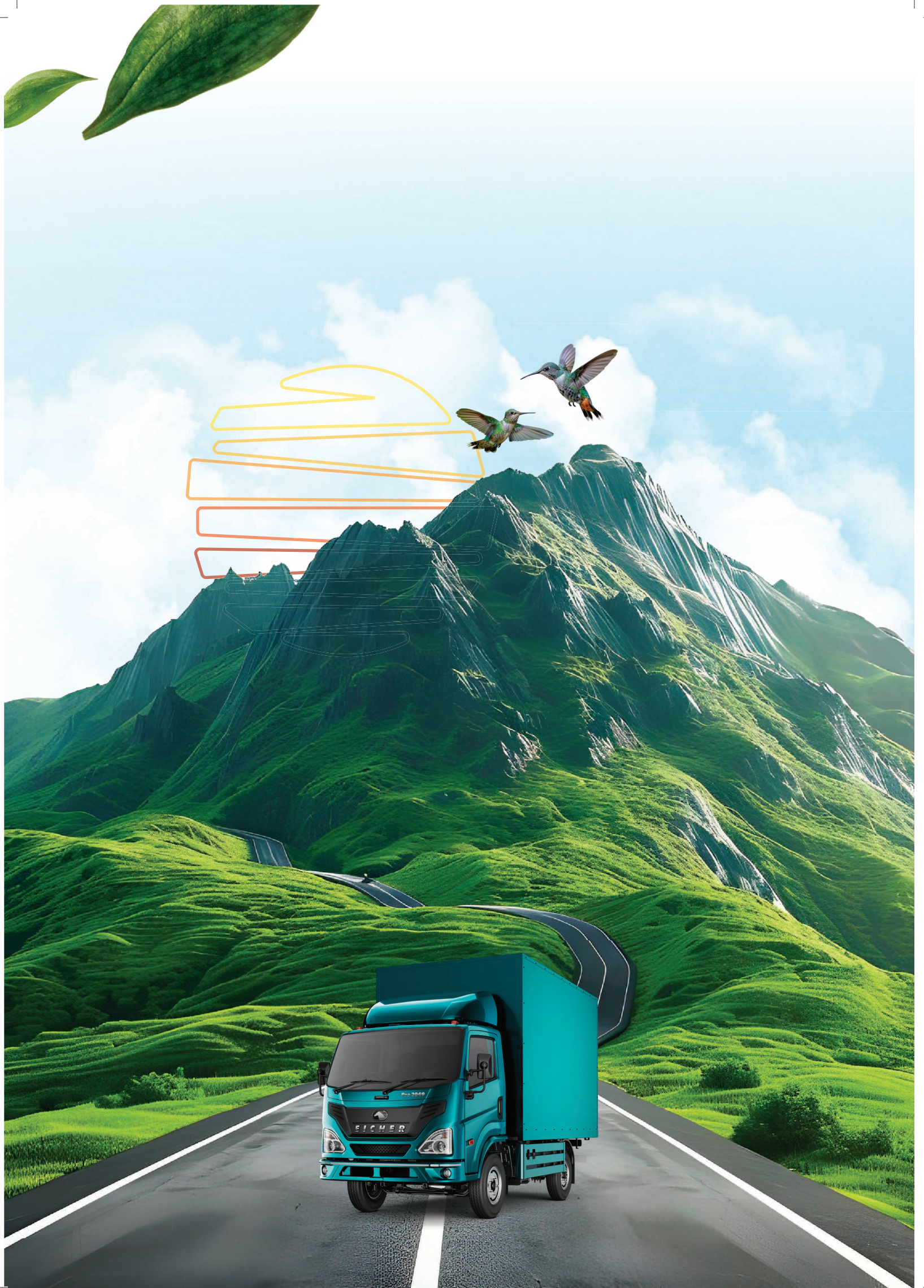
# INNOVATING MOBILITY



# DRIVING SUSTAINABILITY

SUSTAINABILITY REPORT (FY 2023-24)







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# OVERVIEW OF THE SUSTAINABILITY REPORT





# ABOUT THE REPORT

Since formation in 2008, VE Commercial Vehicles (hereinafter referred to as 'VECV', 'we', or 'the Company'), a joint venture between the Volvo Group and Eicher Motors Limited, has been at the forefront of driving modernization the Indian commercial vehicle industry. During this time, we have pioneered many firsts, including India's first 100% connected fleet of trucks and buses which are monitored for Uptime at our state-of-the-art Uptime Centre in Pithampur. Recently, we have developed and delivered Trucks and Buses compliant with India's strict BS VI OBD II emission standards and also offer EV solutions.

As a leading Indian manufacturer of commercial vehicles, we recognize, on the one hand, the key role our trucks and buses play in the rapidly transforming Indian economy and on the other, our responsibility to reduce the environmental impact of transport. In line with this, VECV is developing a range of transport solutions powered by Electric, Compressed and Liquefied Natural Gas, Hydrogen Fuel Cell and Hydrogen Internal Combustion and Bio-fuels. All of this is backed by our commitment

to improving asset productivity through best in class Uptime. More recently, VECV is committed to supporting the Government of India Scrappage Policy which aims to incentivise scrappage of old, unsafe and polluting vehicles from Indian roads.

This year, we present VECV's third Sustainability Report, themed 'Innovating Mobility. Driving Sustainability', prepared with reference to the Global Reporting Initiative (GRI) Standards, adhering to the Reporting Principles, Universal Standards, and Topic Standards throughout the report. This report is reviewed and approved by the Board of Directors and senior management, who play a key role in prioritizing the material topics addressed in the report.

This Report is designed to align with global reporting standards and address our stakeholders' concerns. We have adhered to a rigorous framework of assessment, identification, and reporting, aiming to embed sustainability in our innovations and solutions.

## SCOPE AND BOUNDARY

Our third Sustainability Report highlights the Company's sustainability performance from the 1st of April 2023 to the 31st of March 2024 (FY 2023-2024). The reporting boundary covers the corporate office and plant operations of VECV at Eicher Trucks and Buses at Pithampur, Bagdad, and Bhopal; VE Powertrain, Pithampur; Volvo Buses India, Bangalore; VE Parts Distribution Center, Pithampur; and Eicher Engineering Components, Dewas. This report highlights our dedication to transparency to the information needs of our stakeholders, particularly in relation to the business's environmental, social, and governance (ESG) impacts.

## FORWARD LOOKING STATEMENT

This report contains forward-looking statements about potential future events that could affect VECV's operations. These statements are based on assumptions and are subject to inherent risks and uncertainties. Stakeholders are advised to not consider the accuracy of these assumptions and predictions, as actual results and future events may differ significantly from those expressed. VECV is under no obligation to update these statements post-publication, as they reflect conditions at the time of writing.

For feedback, questions, or comments on this Report, please email us at [ESG-Program@vecv.in](mailto:ESG-Program@vecv.in) or [Contactus@vecv.in](mailto:Contactus@vecv.in)



## MESSAGE FROM THE MD & CEO

As we publish our third sustainability report, I am pleased to note that VE Commercial Vehicles is progressively deepening its commitment to this important area. Since our formation 16 years ago, VE Commercial Vehicles Ltd. (VECV), a joint venture between Sweden's Volvo Group and India's Eicher Motors, has been continuously focused on delivering "relevant modernization" to value focused bus and truck customers in India and forty other countries across the world. In 2019, Eicher was the first CV maker in India to offer 100% connectivity on our BS VI fleet - a move that paved the way for our industry leading MyEicher app. Internally, our Bhopal factory, inaugurated in 2020 represents India's first Industry 4.0 compliant CV plant embodying sustainability principles.

We look forward to introducing many industry firsts, building on our foundation characterized by the integration of innovation, environmental stewardship, and a customer-centric approach.

### CONNECTED SINCE 2019

When Eicher introduced 100% connected trucks and buses five years ago, we led the industry towards digitalization. Our next generation MyEicher app, which now connects over 2,75,000 vehicles, has redefined the commercial vehicle landscape in India by enabling real-time monitoring and predictive diagnostics, enhancing fleet efficiency, and reducing downtime. Specifically, the live tracking of the vehicle and data from its sensors allow us to predict required



The rollout of the 50,000<sup>th</sup> fully built bus from our state-of-the-art Baggad plant in Madhya Pradesh marks another key milestone in this journey. »

**Vinod Aggarwal**  
MD & CEO





service thereby improving Vehicle Uptime. The information from the connected fleet helps our customers to improve route planning and fuel efficiency -contributing to their bottom line while simultaneously reducing their carbon footprint.

## FACTORY BUILT SOLUTIONS

Contrary to industry practice, all Volvo Trucks sold in India and most Eicher trucks come equipped with factory designed cabins that offer drivers an ergonomic environment that enhances road safety and asset productivity. Our trucks are ready to operate from Day 1, saving operators weeks of cabin fabrication time. Additionally, aerodynamic factor-built cabs help with fuel economy and better protect the driver in the unfortunate event of an accident.

The rollout of the 50,000th fully built bus from our state-of-the-art Bagdad plant in Madhya Pradesh marks another key milestone in this journey. The plant, certified as a Platinum Green Factory by IGBC, stands as a testament to our efforts in reducing environmental impact while enhancing operational excellence. The 50,000th vehicle, an electric Skyline Pro E bus, represents the next frontier of urban mobility solutions that emphasize cleaner, smarter, and more efficient transport systems.

## MANUFACTURING SUSTAINABLY

In FY 2023-24, we achieved significant progress across multiple sustainability fronts in our plants. We are continuously working on enhancing renewable energy by using Solar and alternate source of energy. For example, our ETB plant currently operates at 37% renewable energy, and we are working to install 6MW Roof Top Solar in VECV plants.

We are using LED lights in our plant, variable frequency drives motors and IoT devices in

machines & equipment to improve energy efficiency.

Similarly, on water conservation we are installing state-of-art ETP/STP at Bhopal plant & up-grading our water treatment facilities to reuse treated water for process applications. Furthermore, our zero-waste-to-landfill strategy is another example of our proactive approach to minimizing environmental impact. These initiatives have had measurable outcomes in reducing carbon emission, waste, energy and water consumption.

## ALTERNATE FUELS -PRO BUSINESS PRO PLANET

In line with India's commitment to Net Zero, we also recognize that future growth is dependent on our ability to diversify our product portfolio with greener fuel alternatives. Our investments in alternative fuel technologies, including CNG, LNG, HCNG (Hydrogen Compressed Natural Gas), and electric drivelines, are pivotal in achieving a low carbon economy. We continue to develop and roll out electric trucks and buses that offer modern technology and high operational efficiency. In September 2023, we introduced India's first 5.5 T electric truck – the Eicher Pro 2055 EV. I look forward to a gradual electrification of our fleet -aligned with the development of charging infrastructure.

## PARTNERSHIP FOR THE FUTURE

As we navigate the challenges posed by climate change, regulatory shifts, and evolving customer expectations, partnerships will play an essential role. Our recent joint venture with iTriangle Infotech exemplifies this. With this partnership, we aim to transform digital fleet management with telematics-driven solutions that improve logistics efficiency, enhance safety, and drive better business outcomes for our customers.

## EMBRACING GOVERNMENT POLICY

By adhering to all safety standards, VECV is committed to ensuring that our buses and trucks are designed for passenger and driver safety. Our buses and trucks conform to all Ministry of Road Transport and Highways safety guidelines, including fire protection, braking and visibility.

Additionally, we have been an early partner of the Government of India's Vehicle Scrappage Policy. By encouraging the replacement of old, unsafe, and polluting vehicles, we are actively contributing to a cleaner, safer, and more efficient transportation ecosystem.

## VEHICLE UPTIME TRANSLATES TO A PRODUCTIVE ASSET

In the commercial vehicle and logistics industry, there is a saying that earnings happen only when the wheels are turning. Our Uptime Centre, the first of its kind in the industry, operates 24X7X365 to monitor and track all connected vehicles, ensuring that potential issues are identified and resolved proactively. By leveraging Artificial Intelligence (AI) and Machine Learning (ML), we can now predict faults before they occur, reducing unplanned downtimes and improving fleet efficiency. This predictive diagnostic capability offers a tangible value to our customers and is a critical enabler of our sustainability journey by minimizing unnecessary fuel consumption and vehicle wear.

## EMPLOYEES IN FOCUS

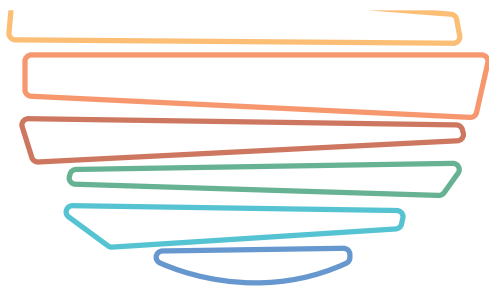
Our sustainability strategy integrates a strong focus on safety, quality, and employee welfare. This year, we extended our safety programs across all operations, ensuring that our workers, drivers and technicians with are equipped with the knowledge and tools to operate safely and responsibly. We have implemented a robust talent development program that emphasizes continuous learning and professional growth. In 2024, our campus hiring efforts welcomed 250 new candidates, achieving a remarkable 16% female diversity. Programs like 'NEEV' Phase II and the Future Mobility program at IISC Bangalore have empowered our workforce, ensuring we are well-equipped to meet the challenges of tomorrow.

## CSR

Further, as part of our corporate social responsibility (CSR) initiatives, we continue to work closely with communities around our manufacturing locations, investing in education, skill development, and health programs. By supporting local economies and fostering a positive social impact, we strive to create shared value that benefits both VECV and the communities in which we operate. In line with our social responsibility goals, we undertook CSR initiatives that addressed critical societal issues such as road safety, health, education, and community development. VECV partnered with various organizations and NGOs to implement a diverse range of initiatives designed to enrich and empower local communities.







**Our recent joint venture with iTriangle Infotech exemplifies this. With this partnership, we aim to transform digital fleet management with telematics-driven solutions that improve logistics efficiency, enhance safety, and drive better business outcomes for our customers. 9**

### **DRIVING CHANGE IN MOBILITY**

The future of mobility is sustainable, connected, and intelligent. VECV's forward-looking approach in embracing new-age technologies and digital solutions sets the stage for this transformation. Through our state-of-the-art manufacturing processes, cutting-edge products, and dedicated service network, we are positioned to be the enabler of change in India's transportation sector.

Our vision is to redefine the future of commercial transport by developing solutions that not only meet regulatory requirements but also exceed customer expectations for safety, efficiency, and environmental responsibility. This includes expanding our portfolio of electric vehicles and alternative fuel-powered trucks and buses to ensure we play a pivotal role in reducing the carbon intensity of the logistics and transport sectors.

### **LOOKING AHEAD**

As we look towards the future, VECV remains steadfast in our pursuit of building a resilient, sustainable, and future-ready organization. The milestones we have achieved in recent years are a testament to our ability to deliver value through sustainability, innovation, and operational excellence. We will continue to enhance our products and services, and take proactive steps to lead the industry towards a sustainable and equitable future.

On behalf of the entire VECV team, I want to extend my gratitude to our employees, customers, partners, and stakeholders for their unwavering support as we drive forward into this next phase of sustainable growth. Together, we will continue to lead with purpose and passion, and ensuring that VECV remains a trailblazer in sustainable mobility.

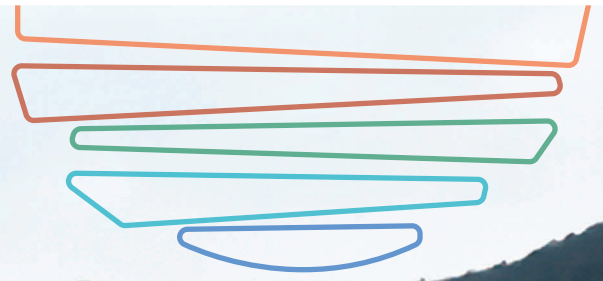
**Vinod Aggarwal**

MD & CEO

VE Commercial Vehicles Ltd. (VECV)



# CORPORATE OVERVIEW





# ABOUT VE COMMERCIAL VEHICLES



In 2008, 2 global brands with diverse expertise, Volvo Group and Eicher Motors came together with one common vision of 'Driving modernisation in the commercial vehicle industry in India and the developing world'. This joint-venture VE Commercial Vehicles Limited (VECV), has grown into a multi-brand, multi-division company, offering a comprehensive range of Eicher Trucks and Buses, and Volvo Buses, apart from being the exclusive distributor of Volvo Trucks in India. It also serves as an engine manufacturing and export hub for the Volvo Group, while becoming a dominant player in the business of non-automotive engines and component business under the Eicher brand.

VECV has consistently grown into a successful joint venture, with 9 modern manufacturing facilities, the widest product portfolio, a 900+ dealership network and a presence in more than 40 countries. VECV has also constantly set new benchmarks in modern and efficient manufacturing processes, next-gen and productive vehicle technology, as well innovate support solutions.

VECV is committed to not just produce the most advanced, safe, and efficient trucks and buses, while delivering superior uptime but also ensure the highest level of customer satisfaction. Additionally, to embrace its responsibility as a vehicle OEM and reduce its carbon footprint, VECV is driving smart sustainability through its eco-friendly manufacturing processes and it's range of alternate fuel vehicles.

At VECV, our mission is to enhance transportation efficiency by driving modernization and reducing logistics costs for



**VECV has consistently grown into a successful joint venture, with 8 modern manufacturing facilities, the widest product portfolio, a 900+ dealership network and a presence in more than 40 countries.**

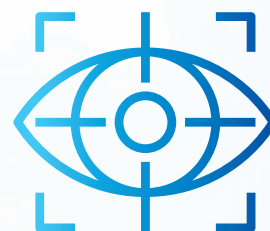




# VISION, MISSION & CORE VALUES

## OUR VISION

To be recognized as the industry leader driving modernization in commercial transportation in India and the developing world.



## OUR SUSTAINABILITY VISION

To be recognized as one of the leading organization driving sustainability initiatives by adopting best practices & modern techniques in all business areas of VECV.



## OUR MISSION

VECV aims to continuously improve transportation efficiency in India and developing markets, thereby reducing logistics costs for goods and people – leading to higher enablement of specialization in manufacturing, agriculture and services, thereby increasing the nation's economic activity and productivity.



We choose to do this in a sustainable manner by having the safest, most durable and efficient products in the market.



We care for our customers holistically by offering not just trucks and buses, but also the best services and soft products which enable them to achieve maximum profits.



We work with the driver community to enhance their productivity and overall working environment



We will partner with all stakeholders to deliver maximum uptime of the vehicles through innovative support services.



We work with professionalism, passion, and the greatest respect for all individuals.



## OUR VALUES



### Respect

At VECV, respecting all our stakeholders is a central belief that makes us deliver on our promises and hold ourselves accountable to all commitments.



### Fair and Ethical

We strive to conduct our business with integrity, treat everyone fairly, and be reasonable and ethical in all our dealings.



### Excellence

We constantly challenge ourselves to innovate for the future and strive uncompromisingly to develop new standards for exceeding customer expectations.



### Customer Centric

At VECV, we aim to create a mutually beneficial long-term relationship with our customers by proactively focusing on their changing needs and consistently delivering excellent service.



### Passion

We revel in our work, demonstrate constant enthusiasm and strongly believe in making a difference to our customers by walking the extra mile.





# VECV'S JOURNEY: MILESTONES OF SUCCESS

- Joint venture between the Volvo Group and Eicher Motors to establish VE Commercial Vehicles Ltd



2008

- New Engineering Component plant, Bus Body plant, LMD line, Cab plant & Paint Shop set up at Pithampur, Madhya Pradesh



2012

- Vehicles with CNG engine technology launched



2016

2010



- VE Series of Eicher Heavy Duty trucks launched redefining the commercial vehicle space in India

2013



- Addition of two new manufacturing facilities: Bus body plant at Baggaad and Gear manufacturing plant unit II at Dewas. Eicher's Pro series of trucks and buses released

2017

- Indigenously developed Automated Manual Transmission technology launched.

- Successful introduction of BSIV product range with i3EGR and SCR technology





Zero-emission fully electric buses unveiled



2018

BS-VI range with Innovative EUTECH6 solution launched

Production starts at state-of-the-art Bhopal plant built with Industry 4.0 principles of a connected factory



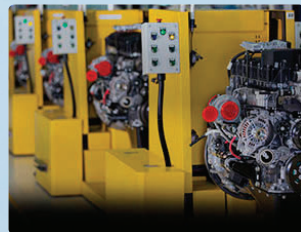
2020

Volvo Buses India launches Volvo 9600 platform, inspired by award-winning European design



2022

2019



Launched the first BS-VI Commercial Vehicles range

2021



Eicher establishes new standard in intercity luxury bus travel with new coach & sleeper platform.

Eicher introduces My Eicher, a holistic fleet management App

2023

VECV celebrated 15 Years of Driving Modernization





# SMART FACILITIES WITH CUTTING EDGE TECHNOLOGY

VE Commercial Vehicles (VECV) operates world-class manufacturing plants that employs cutting-edge technology and innovation in the production of trucks and buses. Spread across key locations, these state-of-the-art facilities are designed to meet the highest standards of quality and efficiency. With a focus on sustainability, our manufacturing plants integrate advanced automation, lean manufacturing processes, and rigorous quality control to ensure the production of next-generation vehicles.

All of our plants are certified for Quality, Environmental Management, and Employee Health & Safety under IATF 16949:2016, ISO 14001:2015, and ISO 45001:2018.





## PITHAMPUR PLANT

Eicher Trucks and Buses marked 37 years of operations in India in June 2023, having rolled out its first truck from the Pithampur manufacturing plant in Madhya Pradesh in 1986. Over the years, the brand has earned the trust of hundreds of thousands of satisfied customers. Spanning 87 acres, the plant boasts a current production capacity of 90,000 vehicles annually, with an impressive output of over 1,000 vehicles per acre.

Operating in a highly flexible, lean, and agile environment, the plant consistently delivers high-quality trucks, engines, and bus chassis. It features a smart factory model that combines automation with efficiency, certified under an Integrated Management System that covers Quality, Health & Safety, Environment, and

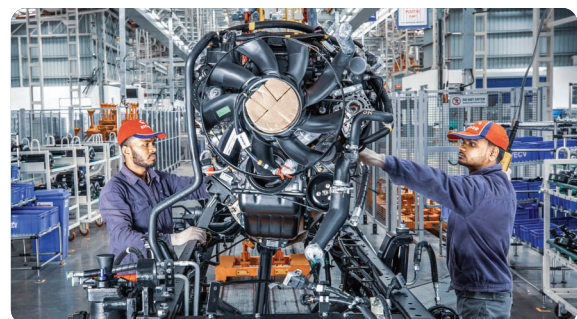


Energy Management. The Volvo Production System serves as the foundation for its manufacturing operations. Additionally, the facility houses a fully equipped vehicle and engine development center, complete with a fatigue lab, advanced virtual vehicle integration capabilities, and a Simulation Lab.

## BHOPAL PLANT

To meet the growing market demands and address evolving customer needs, VECV established its Bhopal facility in November 2019. Within a year, the plant successfully rolled out its first engine assembly in the same month. This new facility focuses on producing VECV's Pro2000 light-duty BSVI range and spans over 148 acres. Initially designed with a capacity of 40,000 trucks annually, the plant is scalable up to 100,000 trucks per year to accommodate future business growth.

The Bhopal facility features advanced powertrain and vehicle assembly lines, compliant with BSVI standards, combining automation with a cost-effective approach. It operates under an Integrated Management System (IMS) and aligns with Industry 4.0 practices. Additionally, the



plant incorporates lean and efficient material management, utilizing nearby major suppliers and a vendor-managed warehouse. VECV's commitment to sustainability is evident through various green initiatives at the facility, including zero discharge systems, water conservation measures, daylight usage, and rainwater harvesting.



## BAGGAD PLANT

In response to the growing opportunities brought by improved road infrastructure and the rise of smart cities, an ultra-modern bus body manufacturing facility was established at Baggad, Madhya Pradesh, in September 2013. This expansive 43-acre plant currently has an installed capacity of 15,600 buses annually, with the potential to expand to 19,200 units per year.

The versatile plant produces light, medium, and heavy-duty buses, powered by Diesel, CNG, and electric vehicles (EVs). It is the first bus facility equipped with an advanced robotic paint system that uses a wet-on-wet epoxy and polyurethane (PU) painting process from the same robot. The plant operates under an Integrated Management



System (IMS) that covers Quality, Health & Safety, Environment, and Energy Management, and its manufacturing operations are based on the Volvo Production System, ensuring high standards of efficiency and quality.

## VE POWERTRAIN

VE Powertrain (VEPT) serves as the engine hub of VECV and began operations in India in 2013, meeting the engine requirements of the Volvo Group across Europe and Asia. As one of the most advanced engine manufacturing facilities in India, VEPT operates on over 10 acres of land, with a current production capacity of 80,000 units. Since inception, this plant had delivered more than 350,000 engines to global customers.

VEPT is a global hub for medium-duty engine production, supplying the Volvo Group with five- and eight-litre engines. The facility holds a Gold Certification under the Volvo Production System (VPS) and is recognized for its exemplary cleanliness standards within the Volvo Group. It is also certified under an Integrated Management System (IMS) covering Quality, Health & Safety,



Environment, and Energy Management. With over seven years of experience manufacturing Euro VI base engines for Volvo, VECV has applied these insights to develop BS VI engines in India. VEPT is fully equipped to meet the new BS VI emission standards, reinforcing its role as a key player in the evolving automotive industry.



## VOLVO BUSES INDIA, HOSAKOTE FACILITY

The Hosakote facility, established by Volvo Buses in 2008, is India's first complete bus manufacturing plant, offering end-to-end capabilities. This state-of-the-art assembly plant can produce up to 1,000 units annually, operating on a two-shift basis. The facility delivers a wide range of offerings, from chassis to fully customized buses, which are directly supplied to customers.



With its integrated and flexible design, the plant efficiently manufactures multiple products on the same production line with minimal adjustments. Assembly operations are uniquely optimized to ensure a high level of repeatability and reproducibility. Volvo Buses India (VBI) continually

adopts global best practices from Volvo Buses' worldwide manufacturing operations. Additionally, the facility houses a comprehensive skill development center, ensuring that its workforce remains at the forefront of industry knowledge and expertise.

## EICHER ENGINEERING COMPONENTS (EEC), DEWAS PLANT

The Eicher Engineering Components plant, situated in the industrial area of Dewas, Madhya Pradesh, spans approximately 34 acres, with an additional 16 acres set aside for future expansion. This state-of-the-art facility is equipped with the latest technology for gear manufacturing, including Crown Wheel Pinion, Bevels, and transmission assembly processes.



As one of India's largest commercial gear manufacturing plants, it specializes in gear grinding and heat treatment. The plant also features a dedicated New Product Development cell for fast-tracking new product introductions.

Its advanced transmission assembly line operates using Manufacturing Execution System (MES).

# PRODUCT PORTFOLIO

Through the seamless execution of strategic initiatives and strong cross-functional collaboration, VECV successfully launched a series of innovative, technologically advanced products, further supported by securing 115 new patents for various design innovations.

## Key highlights for FY 2023-24 include:



A total of 111 new products and variants were introduced across different segments.



Industry-first Pro 8035 Tipper launched, featuring a 9-speed AMT and a 19.5 cum rock body.



Implementation of advanced safety technologies like Electronic Stability Control (ESC) and Fire Alarm Protection System (FAPS) in buses.



Introduction of the industry's first 5.5-ton Electric Truck.



VECV's first heavy-duty CNG-powered bus and truck, equipped with a 6-cylinder engine.



Enhanced heavy-duty haulage range with upgraded engine power for improved performance.



Launch of the Volvo FM Electric truck, tailored for e-commerce applications.





## Eicher Light and Medium Duty Trucks



**SUB 5 TON**



**LIGHT DUTY**



**MEDIUM DUTY**



**TIPPER**

## Eicher Heavy Duty Trucks



**HAULAGE**



**TIPPER**



**TRACTOR TRAILERS**

## Eicher Buses



**SCHOOL BUSES**



**ROUTE PERMIT**



**STAFF BUSES**



**BUS CHASSIS**

## Eicher Engineering Components



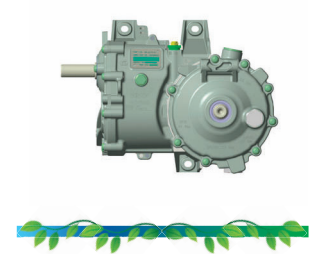
**GEARS AND SHAFTS**



**AUTOMOTIVE  
COMPONENTS**

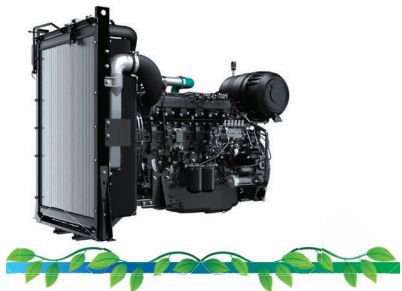


**TRANSMISSION  
ASSEMBLY**

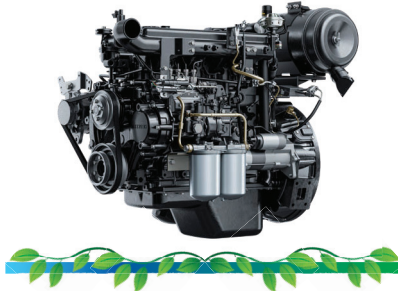


**AUXILIARY AGGREGATES**

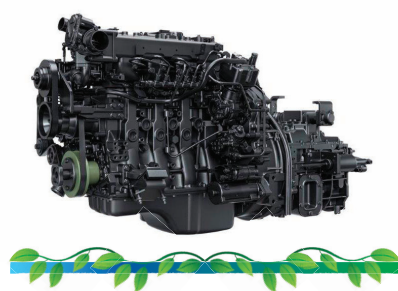
## Eicher Power Solutions



Engines For Power  
Generation



Engines For Industrial  
Application



Engines With  
Transmission

## Volvo Buses India



VOLVO 9600

## Volvo Trucks India



Mining And Coal  
Transportation



Construction And Infra



Special Application



Long Haul



Heavy Haul



Mineral Transportation



## Electric Commercial Vehicles - Trucks



Pro 2049 EV



Pro 2055 EV

## Electric Commercial Vehicles - Buses



Eicher Skyline Pro E 9m



Eicher Skyline Pro  
E 9m School



Eicher Skyline Pro  
E 13.5m Intercity



## KEY ACCOMPLISHMENTS

### Market Share Development with Profitable Growth

Overall Sales FY 2023-24

**85,560**

7.5%

LMD & LD Trucks Sales

**40,559**

(LMD MS- 34.6%)

4.2%

Volvo Trucks Sales

**2,131** UNITS

24.6%

Eicher Power Solutions

**8,989** UNITS

29.7%

Eicher HD Trucks Sales

**21,529** (MS-8.3%)

13.5% | HD consolidated  
(MS - 9.2%)

Volvo Bus Sales

**341** UNITS

122.9%

Eicher Engineering  
Components

**16.0 +** (BINR)

1.4%

Eicher Buses Sales

**17,279** (MS-21.2%)

15.8%

### Manufacturing and Operations

VEPT Engines & Long  
block Sales

**59,000~**

7.5%

Electric Vehicles  
delivered in FY 2023-24

**265+**

De-merits Across  
all Models

**<20**

Annual Roll-out  
(HD+LMD) FY 2023-24  
in Pithampur Plant

**59,000+**

Annual Roll-out (LMD)  
FY 2023-24 in Bhopal Plant

**25,800+**

Annual delivery  
FY 2023-24 in Baggad Plant

**8,700+**

People and  
Competence Building

Employees Hired

**900+**

Customers on-boarded

**80%**

Customer Centricity

Customer Centricity

**1.06 Lakh**

New Site Support

**+70**

270 Total

**425**

KAM customers having  
30K+ vehicles





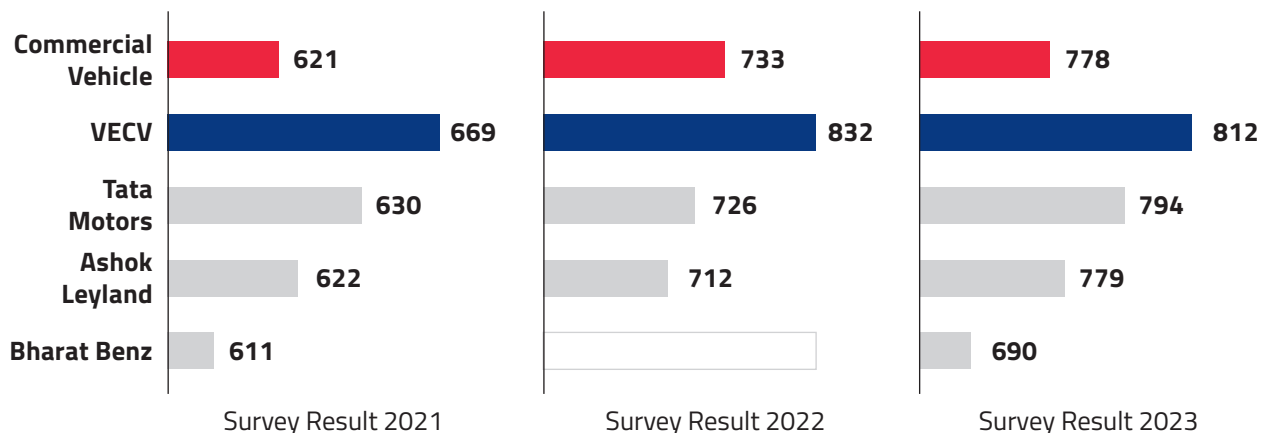


# AWARDS AND ACCOLADES



## VECV RANKED NO.1

for the Third time in a row in the Dealer Satisfaction Survey 2023 with a significant lead in the CV industry



★★★★★

**Eicher rated No.1  
in the LMD range**

on both Customer  
Satisfaction and Loyalty  
Index parameters amongst  
6 market players

★★★★★

**Eicher rated No.1  
in the HD range**

in Customer Satisfaction  
and No. 2 in Loyalty Index  
parameters amongst 5  
market players

★★★★★

**Eicher rated No.2  
in the Bus range**

on both Customer  
Satisfaction and Loyalty  
Index parameters amongst  
5 market players



## Best Brand of 2023 by ET Edge

### Commercial Vehicle Segment







### CV MAKER OF THE YEAR

VECV clinched the CV  
Maker of the Year award at  
the apollo CV awards.



**CV Transport Solutions**  
Provider of the Year



**Communications Team**  
Excellence Award



**Tipper of the Year**  
(Eicher Pro 8035XM  
E-Smart Shift)



**ICV Cargo of the Year**  
(Eicher Pro 2118)



**Innovative Product  
of the Year**  
Volvo FM Electric



**School Bus of the Year**  
(Eicher Skyline Pro 9m)



# VECV'S APPROACH TO SUSTAINABLE DEVELOPMENT





# STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

Stakeholder engagement provides us with valuable insights into the needs, expectations, and concerns of various groups that influence and are influenced by our operations. These interactions not only ensure that we remain responsive to evolving market trends and societal expectations

but also promote fairness, transparency, and mutual growth. Our collaborative approach to stakeholder engagement is designed to foster productive relationships that contribute to both VECV's goals and the broader sustainability landscape.

## KEY STAKEHOLDER GROUPS

We have identified a diverse range of stakeholders who play pivotal roles in shaping our sustainability journey. These groups include **shareholders and investors, employees, government and regulators, communities, dealerships, and suppliers**. Each of these stakeholder categories is engaged through tailored communication channels that address their unique concerns and interests. This ongoing dialogue enables us to integrate their feedback into our business strategies,







ensuring that our operations are aligned with the expectations of our stakeholders.

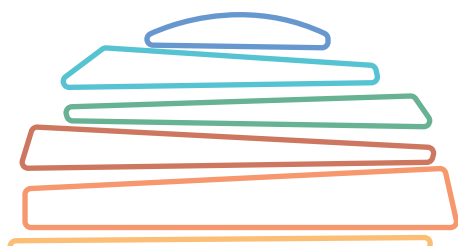
Engagement with our stakeholders occurs through a variety of formal and informal mechanisms, allowing us to maintain a continuous exchange of ideas and perspectives. The following table outlines our key stakeholder groups, the channels through which we engage them, and the specific topics and concerns that drive our interactions.





## STAKEHOLDER GROUP

	Engagement Channels	Key Topics and Concerns
<b>Shareholders and Investors</b> 	<ul style="list-style-type: none"> <li>Press releases and publications</li> <li>Investor meetings</li> <li>Financial disclosures and reporting</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Future projects and growth strategy</li> <li>ESG concerns and approach</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Performance appraisals</li> <li>Annual satisfaction survey</li> <li>Grievance redressal mechanism</li> <li>Training programs</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Personal development and growth</li> <li>Empowering work environment</li> </ul>
<b>Government and Regulators</b> 	<ul style="list-style-type: none"> <li>Compliance reports</li> <li>Onsite inspections</li> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Road safety and pollution control</li> <li>Compliance with environmental regulations</li> <li>Sustainable transportation</li> </ul>
<b>Communities</b> 	<ul style="list-style-type: none"> <li>Local area development programs</li> <li>Education and healthcare initiatives</li> <li>Vocational training programs</li> </ul>	<ul style="list-style-type: none"> <li>Well-being of drivers</li> <li>Healthcare and education support</li> <li>Local infrastructure development</li> </ul>
<b>Dealerships</b> 	<ul style="list-style-type: none"> <li>Customer feedback sessions</li> <li>Conferences and seminars</li> </ul>	<ul style="list-style-type: none"> <li>Business sales performance</li> <li>Customer service quality and support</li> </ul>
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>Supplier conferences</li> <li>Technology sharing initiatives</li> <li>Performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>Quality delivery and cost control (QDCF)</li> <li>Innovation and development in technology</li> <li>Supplier feedback and collaboration</li> </ul>





## ENGAGEMENT OUTCOMES AND CONTINUOUS IMPROVEMENT

The feedback we gather through our stakeholder engagement efforts plays a vital role in shaping our sustainability strategy. For example, insights from investors have guided our approach to enhancing financial transparency, while interactions with communities have resulted in expanding our vocational training and healthcare initiatives.

Our engagement with employees, through regular performance appraisals and satisfaction surveys, has led to the development of initiatives aimed at creating an empowering work environment, with a focus on personal growth, rewards, and recognition. Similarly, collaborations with suppliers

have driven advancements in sustainable sourcing and technological innovation, ensuring that our supply chain is aligned with our sustainability goals.

At VECV, we recognize that stakeholder engagement is an ongoing process. As we continue to drive sustainable mobility, our commitment to transparent and inclusive engagement will remain central to our operations. By listening to our stakeholders and integrating their concerns into our strategies, we are able to create shared value and ensure that our business is both resilient and responsible in the face of emerging global challenges.

## MATERIALITY ASSESSMENT

At VECV, our materiality assessment forms the cornerstone of our sustainability strategy, guiding us in identifying the most relevant issues for our stakeholders and our business. Initiated in the financial year 2021-22, the materiality process has evolved, grounded in best global practices

and rigorous stakeholder engagement. For FY 2023-24, we have adhered to the latest Global Reporting Initiative (GRI 2021) standards, ensuring that our approach remains comprehensive and aligned with global sustainability benchmarks.



## OUR APPROACH TO MATERIALITY ASSESSMENT

The principle of materiality, as defined by GRI, involves identifying and reporting on topics that reflect the organization's significant impacts on the economy, environment, and people, including their effects on human rights, as well as topics that influence stakeholder decisions. Our

materiality assessment process for FY 2023-24 is built on the robust foundation laid in previous years, emphasizing stakeholder inclusivity and a holistic evaluation of our impact both within and outside the organization.

01

### Identification of Material Topics

Our first step is identifying relevant material topics under the ESG parameters. This phase includes:

**Stakeholder Mapping:**

Identifying and engaging key stakeholders—including employees, shareholders, customers, suppliers, and local communities—who have a vested interest in our sustainability performance.

**Peer Benchmarking:** Analyzing sustainability practices of industry peers to identify trends and challenges specific to the commercial vehicle sector.

**Sectoral Review:** Assessing sustainability standards and guidelines relevant to the automobile sector, ensuring that the topics we focus on are aligned with global and industry-specific sustainability trends.

**Alignment with Sustainability Standards:** Aligning our process with GRI 2021 standards to ensure consistency, relevance, and credibility in our sustainability disclosures.

02

### Prioritization, Assessment, & Categorization

Following the identification phase, material topics are categorized and prioritized based on their relevance to VECV's long-term business strategy and stakeholder interests:

**Materiality Survey:** A comprehensive questionnaire is shared with stakeholders to gather insights on which sustainability topics are of greatest importance to them and their expectations from VECV.

**Impact Assessment:** Each identified topic is evaluated for its potential impact on VECV's business operations, covering economic, environmental, social, and governance aspects. Topics with high stakeholder relevance and significant business impact are given priority.

**Stakeholder-Specific Concerns:** Specific issues raised by various stakeholder groups, including employees, suppliers, local communities, and regulatory bodies, are integrated into the assessment.

03

### Finalization of Material Topics

The final step involves the consolidation and analysis of data from the prioritization phase to select the most significant topics for VECV's sustainability strategy and reporting:

**Data Analysis:** In-depth analysis of the feedback from stakeholders is carried out to prioritize material topics that align with VECV's core competencies, organizational values, and strategic goals.

**Alignment with Key Organizational Values:**

Material topics are reviewed against VECV's sustainability commitments and objectives, ensuring that they reflect the organization's long-term value creation strategy.

**Focus on Sustainable Development:**

Topics that contribute directly to global sustainability goals, including the UN Sustainable Development Goals (SDGs), are highlighted.



## KEY MATERIAL TOPICS AND RELEVANT SDGS



Material Topics	Impact	SDGs
1. Business Ethics, Compliance and Transparency	High Impact	
2. Customer Engagement and Satisfaction	High Impact	
3. Product Innovation and Sustainable Mobility	Medium Impact	
4. Cybersecurity	High Impact	
5. Responsible Supply Chain and Sourcing	Medium Impact	
6. Economic Performance	High Impact	
7. Product Quality and Safety	Medium Impact	
8. Climate and GHG Emission	High Impact	
9. Energy Management	High Impact	
10. Water Management	High Impact	
11. Waste Management	Medium Impact	



Material Topics	Impact	SDGs
12. Resource Optimisation and Operational Eco-Efficiency	High Impact	  
13. Human Rights	High Impact	   
14. Employee Engagement and Wellbeing	Medium Impact	    
15. Community Development	High Impact	      
16. Occupational Health and Safety	Medium Impact	   
17. Diversity, Equal Opportunity and Inclusion	High Impact	    







# VECV'S SUSTAINABILITY FRAMEWORK

As one of the pioneers in the commercial vehicle industry, VECV (Volvo Eicher Commercial Vehicles) recognizes the critical role it plays in shaping the future of mobility, not just in terms of operational efficiency but also in ensuring long-term environmental, social, and governance (ESG) sustainability. Our sustainability framework aligns with our goal of creating a resilient, resource-efficient, and responsible ecosystem, driving sustainable mobility across all operations. This framework provides us with a structured approach to address the environmental, social, and governance imperatives across our value chain, ensuring that we are driving progress and innovation responsibly.

The commercial mobility sector is evolving at a rapid pace, with increasing pressures

from regulatory bodies, changing consumer expectations, and global movements toward sustainability. As a leader in this sector, VECV recognizes the importance of adapting to these shifts. Environmental impacts such as greenhouse gas (GHG) emissions, energy consumption, and resource depletion need to be addressed, as well as social responsibilities involving workforce safety, diversity, and community engagement.

Moreover, strong governance is critical for maintaining trust and ensuring transparency and accountability throughout the organization. To navigate these complexities, VECV's sustainability framework revolves around three key pillars: Environmental Stewardship, Social Responsibility, and Governance and Ethics.

## ESG PILLARS



### Environmental Responsibility

Our environmental responsibility is rooted in a comprehensive understanding of the ecological impact of our operations. We are focused on reducing emissions, conserving resources, and improving the environmental efficiency of our products and services. VECV's environmental goals are aligned with the global push towards decarbonization

### Social Responsibility

VECV recognizes the importance of its people, both within the organization and throughout the communities in which it operates. Our social sustainability initiatives are designed to enhance employee well-being, foster diversity, and contribute to the social and economic development of society.

### Governance and Ethics

Strong governance structures are critical to achieving our sustainability objectives. VECV's governance framework is built on transparency, ethical business practices, and accountability. The focus on good governance ensures that our sustainability strategy is embedded throughout the organization and contributes to long-term business success.



# CORPORATE GOVERNANCE AT VECV





## BOARD OF DIRECTORS

At VECV, the Board of Directors plays a critical role in steering the company towards long-term success and sustainable growth. Comprised of a diverse group of experienced professionals with extensive knowledge across various sectors, the Board ensures that VECV's strategic direction aligns with the evolving needs of the automotive industry while embedding ESG principles at the core of our business model.

The Board is responsible for providing governance, oversight, and guidance on key areas such as operational performance, risk management, financial planning, and sustainability initiatives. They actively participate in shaping the company's policies to ensure ethical business practices, innovation in product development, and responsible growth in line with industry trends and regulatory expectations.



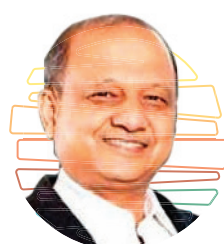
**SOFIA HELENA FRANDBERG**

Chairperson -  
VE Commercial Vehicles Ltd.



**SIDDHARTHA LAL**

Managing Director -  
Eicher Motors Ltd.



**VINOD AGGARWAL**

MD and CEO -  
VE Commercial Vehicles Ltd.



**JOACHIM ROSENBERG**

EVP - Volvo Group Strategic  
Initiatives,  
President - Volvo Energy



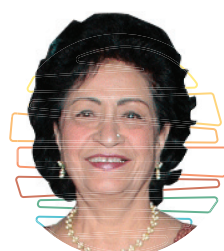
**Jan Hjelmgren**

SVP - Powertrain  
Engineering Volvo  
Technology, AB



**RAUL RAI**

Director



**LILA POONAWALLA**

Non-Executive Director



**INDER MOHAN SINGH**

Independent Director

### BOARD COMMITTEES

Audit Committee Members	<b>SOFIA HELENA FRANDBERG</b> Chairperson	<b>LILA POONAWALLA</b> Non-Executive Woman Director	<b>INDER MOHAN SINGH</b> Independent Director	
Nomination And Remuneration Committee Members	<b>SOFIA FRANDBERG</b> Chairperson	<b>SIDDHARTHA LAL</b> Non-Executive Director	<b>LILA POONAWALLA</b> Non-Executive Woman Director	<b>INDER MOHAN SINGH</b> Independent Director
Corporate Social Responsibility Committee Members	<b>SIDDHARTHA LAL</b> Chairperson	<b>JAN HJELMGREN</b> Director	<b>INDER MOHAN SINGH</b> Independent Director	

## KEY MANAGERIAL PERSONS



**VINOD AGGARWAL**  
MD and CEO - VECV



**R. S. SACHDEVA**  
COO - EICHER TRUCKS  
AND BUSES



**S S GILL**  
EVP - INTERNATIONAL  
BUSINESS AND COMPANY-  
OWNED RETAIL, VECV



**B SRINIVAS**  
EVP - PURCHASE AND  
SUPPLY CHAIN, PRODUCT  
STRATEGY, VECV



**RAJESH MISHRA**  
EVP - CHIEF DIGITAL  
OFFICER, VECV



**ADITYA K SHRIVASTAVA**  
EVP - MANUFACTURING  
OPERATIONS, VECV



**B DINAKAR**  
EVP - VOLVO TRUCKS INDIA



**VISHAL MATHUR**  
EVP- LIGHT & MEDIUM  
DUTY SALES & MARKETING



**RAMESH  
RAJAGOPALAN**  
EVP- CUSTOMER SERVICE,  
RETAIL EXCELLENCE AND  
NETWORK DEVELOPMENT



**VIMAL  
MULCHANDANI**  
EVP- Manufacturing  
Operation, Eicher Trucks &  
Buses & Volvo Buses



**SACHIN  
AGARWAL**  
EVP- Product Development,  
Eicher Trucks & Buses



**GAGANDEEP SINGH  
GANDHOK**  
SVP - HD TRUCKS  
BUSINESS, VECV



**SURESH  
CHETTIAR**  
SVP - VOLVO BUSES INDIA



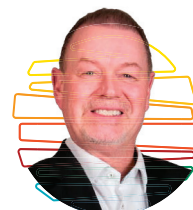
**BHAGWAN  
K BINDIGANAVILE**  
EVP- STRATEGIC  
PLANNING, BRAND AND  
COMMUNICATIONS



**GYANENDRA DASS**  
SVP - EICHER ENGINEERING  
COMPONENTS



**SUDEEP KUMAR DEV**  
SVP - CHIEF HUMAN  
RESOURCES OFFICER- VECV



**KEN TROLLE**  
EXECUTIVE VICE  
PRESIDENT & CFO,  
VECV







# ESG GOVERNANCE

The Board recognizes the importance of sustainable practices in driving both business success and societal impact. The Board is actively engaged in overseeing the company's ESG strategy, ensuring that sustainability remains a core focus in VECV's operations and that the company continues to set and achieve ambitious goals related to climate action, diversity, inclusion, and ethical supply chain management.

## CORPORATE GOVERNANCE AND ETHICAL CONDUCT

Our corporate governance framework is found on strong ethical principles and a commitment to transparency, ensuring that all aspects of our business are conducted in compliance with regulatory requirements and aligned with our core values. Our governance policies not only guide internal practices but also create a culture of integrity that extends to all stakeholders, including employees, customers, suppliers, and investors.

We are committed to upholding the highest standards of corporate governance, with robust policies guiding our operations and ensuring alignment with legal and ethical standards. For the Annual Board Meetings, we start preparing months in advance with an Approach Note that we prepare in Autumn, thereafter, have the business plan approved by the month of February. Our Strategy Dialogue is prepared and shared by June and also, we prepare presentations on important Business meetings. For the same we conduct Board meetings as and when required and necessary. We further have business updates that are circulated every month by the MD and CEO.

Our Code of Conduct provides a framework for the management and staff, promoting transparency, accountability, and integrity in all business dealings. We are proactive in ensuring that our actions meet regulatory, environmental, and social compliance. The following sections outline our key governance policies, which are crucial to maintaining our holistic and sustainable growth trajectory. During the

current reporting period, there were no cases of non-compliance identified and reported. Below are key components of our governance framework:

### AUDIT POLICY

The Audit Policy at VECV ensures robust oversight of financial reporting and internal control mechanisms. Our comprehensive Audit Manual guides all audit activities, which are conducted independently by an internal audit team reporting directly to the Audit Committee. This committee, which consists of board members, reviews audit findings and ensures that the company complies with legal standards, mitigates risks, and maintains transparency. Regular internal audits assess operational efficiencies, financial accuracy, and adherence to regulatory obligations, thus ensuring high standards of accountability and integrity.

### NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy is central to VECV's approach to selecting and compensating board members, senior management, and key personnel. This policy, aligned with Section 178 of the Companies Act, 2013, is overseen by the Nomination and Remuneration Committee. The key objectives include identifying and recommending individuals for senior leadership positions based on their qualifications, positive attributes, and independence. The policy ensures that the remuneration of directors and senior executives is





fair, competitive, and aligned with the company's performance benchmarks. Compensation packages include a balance between fixed and variable components to reflect both short-term performance and long-term strategic goals.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

VECV follows a stringent policy for the appointment and remuneration of directors, focusing on qualifications, positive attributes, and independence, in compliance with Sections 134(3) (e) and 178(3) of the Companies Act, 2013. This ensures a well-balanced leadership team capable of steering the company towards its strategic goals. Remuneration is performance-linked, ensuring the retention and motivation of key personnel.

## **CONFLICT OF INTEREST POLICY**

VECV's Conflict of Interest Policy ensures that employees and directors avoid any actions or relationships that could lead to conflicts between personal interests and those of the company. All employees are required to disclose any potential conflicts, including relationships with suppliers, customers, or competitors, as well as any external employment. The company reviews each disclosure and takes steps to mitigate risks, including the reallocation of responsibilities or disqualification from certain decision-making processes to maintain the integrity of operations.

## **ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

VECV is fully committed to the prevention, deterrence, and detection of fraud, bribery, and corruption. The company's Anti-Bribery and Anti-Corruption Policy ensures that all business operations are conducted with integrity, adhering to the highest ethical standards. Bribery in any form—whether direct or indirect, monetary or non-monetary—is strictly prohibited. The policy applies to all employees, contractors, and business partners. VECV abides by all local and international anti-bribery laws, including the prevention of bribery of public officials. Employees are trained

on these laws to ensure compliance, and the policy outlines severe consequences for violations. By maintaining strict oversight and a zero-tolerance approach, VECV reinforces its commitment to ethical conduct across its global operations. VECV conducts corruption risk assessment across its operations and during FY 2023-24, there were no incidents of corruption reported.

## **GRIEVANCE REDRESSAL POLICY – WHISTLE BLOWER POLICY**

VECV promotes a culture of transparency through its Whistle Blower Policy. This policy allows directors, employees, and external partners to report unethical behavior, fraud, or violations of company policies confidentially, without fear of retaliation. The policy is aligned with Section 177(9) of the Companies Act, 2013, and ensures that concerns, including critical concerns, are addressed directly with the Audit Committee Chairperson when necessary. The policy also includes robust safeguards against victimization, reinforcing VECV's commitment to ethical business practices.

The Policy provides a safe and confidential platform for employees, directors, vendors, and other stakeholders to report any unethical behavior, violations of company policies, financial misreporting, or other improper conduct. The Whistle Blower Committee, chaired by the Managing Director and CEO, investigates all reports thoroughly, ensuring that whistle-blowers are protected from retaliation or victimization. The policy also allows for direct reporting to the Chairperson of the Audit Committee in exceptional cases. This vigilant approach ensures that VECV maintains a culture of transparency and integrity in all business operations. During this reporting period, zero cases of critical concerns were reported.

## **SEXUAL HARASSMENT PREVENTION POLICY**

VECV maintains a zero-tolerance policy toward sexual harassment in the workplace. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, VECV is dedicated to maintaining a work environment free from harassment. The





company has established an internal committee to investigate and resolve complaints promptly and confidentially, providing equal opportunities for all employees. This policy extends to all employees, including those on contractual and temporary assignments, ensuring safety and dignity for all individuals in the workplace.

## **DATA RESPONSIBILITY AND CUSTOMER PRIVACY**

VECV takes its responsibility for customer and stakeholder data seriously. The company adheres to strict data protection policies, ensuring that customer information is kept secure and that there are no breaches of privacy. VECV has put in place robust cybersecurity measures and regularly assesses risks related to data security. The company ensures compliance with applicable data protection laws, and no incidents of data theft or breaches were reported during the reporting period.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

VECV's CSR initiatives are designed to create economic value while advancing the growth of a sustainable society. The policy, developed in line with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Section 135 of the Companies Act, 2013, directs the company's social and environmental investments. Our focus areas include community engagement, environmental sustainability, and societal benefits, all of which are aligned with Schedule VII of the Act.

## **ACCOUNTING POLICY**

VECV's Accounting Policy ensures transparency in the financial reporting of all company operations. Assets under construction are recorded at cost, minus any recognized impairment, while borrowing costs are capitalized for qualifying assets. This policy provides clear guidance for the ethical management of financial resources and ensures accuracy in our financial disclosures.

## **CREDIT RISK MANAGEMENT**

To mitigate credit risks, VECV exclusively engages with creditworthy counterparties. Our policy includes stringent counterparty evaluations to reduce financial exposure and safeguard the company from potential defaults. This ensures financial stability and the ongoing success of our business operations.

## **RISK MANAGEMENT SYSTEM**

VECV has a comprehensive Risk Management Policy that identifies, assesses, and mitigates risks. This includes cybersecurity risks, which have grown increasingly prevalent. While we have not experienced any customer data breaches or losses to date, we continue to monitor and strengthen our data security protocols. This policy guarantees that any risks which could impact the company's viability are promptly addressed, ensuring the ongoing security and operational success of VECV.

## **INTEGRATED MANAGEMENT SYSTEM (IMS) POLICY**

At VECV, our Integrated Management System (IMS) policy reflects our commitment to sustainable practices and adherence to compliance in all aspects of our operations. As a leader in manufacturing light, medium, and heavy commercial vehicles, as well as non-auto engines, VECV strives to meet the highest standards in environmental stewardship, safety, and energy efficiency. We are dedicated to minimizing environmental impact, controlling OHS hazards, conserving natural resources, and reducing greenhouse gas emissions. Our proactive approach includes ongoing monitoring, prompt action on safety and environmental concerns, and continuous improvement through training and accountability. This policy ensures that all employees, contractors, and stakeholders are aligned with our vision to drive sustainable growth and excellence in IMS performance.



## CODE OF CONDUCT

Our Code of Conduct governs every aspect of VECV's business activities, from product development to customer interactions. We are committed to providing world-class products and services that comply with all applicable laws and standards. Additionally, we ensure fair competition, respecting the confidentiality of competitive information and avoiding any form of anti-competitive behavior.



### Dealings with Customers

VECV values fairness and transparency in all customer interactions. We uphold the privacy rights of our customers and adhere to all data protection regulations. Our Data Responsibility Policy outlines strict procedures for the protection of personal data, ensuring that no data breaches occur. VECV has not encountered any data theft or breaches to date, demonstrating our strong commitment to customer privacy.



### Fair Competition

VECV actively supports the development of open, competitive markets and avoids any activity that could constitute anti-competitive behavior, such as market dominance abuse or cartel involvement. We collect competitive information through legitimate sources and operate within the bounds of fair competition laws, ensuring that our actions develop healthy market environments globally.



### Value Chain Partners

VECV prides itself on selecting suppliers and service providers based on fairness and transparency. We engage with partners who share our values and demonstrate their commitment to ethical practices. Any gifts or hospitality exchanged with suppliers are regulated under our Gifts and Hospitality Policy, ensuring compliance with anti-bribery standards.



### Stakeholder Engagement

VECV is dedicated to enhancing shareholder value while ensuring full compliance with all legal standards. We provide accurate and timely information to our financial stakeholders and ensure that all activities are documented and disclosed transparently. This commitment extends to our relationships with governmental agencies and regulatory bodies, where we adhere to the highest standards of governance in our engagements.



### Government Engagement

VECV values its relationships with government bodies and regulators, ensuring all engagements promote good governance. We do not engage in any activities that could unduly influence investigations or impede government reviews. Our interactions with regulatory agencies are conducted with transparency and integrity, maintaining the trust and respect of all stakeholders.





# SUSTAINABILITY GOVERNANCE FRAMEWORK AT VECV

VECV's sustainability governance framework is designed to systematically drive sustainability across all business functions and areas. The framework includes a structured process for developing strategies, action plans, and key performance indicators (KPIs). To ensure continuous improvement, the governance framework integrates a multi-level review mechanism, which provides oversight and guidance on sustainability efforts.



## **Quarterly Review Meeting (QRM)**

Chaired by the MD & CEO, the QRM involves the Executive Management Team (EMT) and focuses on reviewing sustainability progress, KPI status, strategic direction, and budget approvals. It serves as the anchor of VECV's sustainability governance structure, ensuring that the highest level of management is engaged in shaping and directing the company's sustainability journey.



## **Steering Committee**

Chaired by the Deputy CEO, this committee, which also includes the EMT, provides strategic leadership on sustainability issues. It is responsible for aligning sustainability efforts with VECV's broader business strategy and for making critical decisions that impact the company's long-term sustainability objectives.



## **TBEMF Committee**

Led by the COO, this committee includes senior management and functional heads. It focuses on tracking functional progress against sustainability KPIs, identifying areas for improvement, and developing action plans to ensure the company meets its sustainability goals. The TBEMF Committee also drives operational execution across various business units.



## **Core Committee**

Chaired by a senior management member (Vice President), the Core Committee includes functional and plant heads. It is focused on idea generation, cross-functional collaboration, and the operational execution of sustainability initiatives. The committee plays a critical role in aligning sustainability efforts across different business units and ensuring that innovative ideas are brought forward and implemented effectively.

This comprehensive governance framework ensures that VECV's sustainability initiatives are continuously monitored, evaluated, and improved, advancing alignment between strategic goals and operational execution across the organization. The multi-level approach guarantees accountability and ensures that sustainability remains at the forefront of business decisions.



# SUSTAINABLE BUSINESS DEVELOPMENT





# ECONOMIC PERFORMANCE

In the financial year 2023-24, VECV delivered total revenues of ₹2,20,998.1 million, driven by sustained innovation and increasing demand for commercial vehicles. Our adherence to BS VI OBD II standards and continuous innovation in electric vehicles and emerging technologies has allowed us to maintain a leading position in the market.

VECV's growth has been supported by a strategic approach that aligns product innovation with environmental sustainability and operational excellence across all business units. In FY 2023-24, VECV distributed significant economic value, focusing on operating costs, employee wages, payments to capital providers, taxes, and community investments. The total economic value distributed was ₹193,237.4 million, which included:



₹174,811.5 million

Cost of Raw Materials & Purchase of Traded Goods



₹13,448.5 million

Employee Costs



₹447.4 million

Finance Costs



₹4,453.7 million

Tax Expenses



₹76.3 million

Corporate Social Responsibility (CSR) Expenditure

This distributed value reflects our commitment to sustaining economic development through our operations and contributions to society. VECV's CSR initiatives have focused on skill development, education, and environmental conservation, aimed at driving long-term, positive community impact.

After accounting for these distributions, ₹27,760.7 million of economic value was

retained. This surplus will be reinvested into VECV's growth, focusing on enhancing our product portfolio, improving operational efficiency, and increasing our market presence in both domestic and international markets. This retained value will also support our continued investment in emerging technologies, particularly in electric vehicles and fuel-efficient commercial transport solutions.

## VECV'S APPROACH TO TAXATION

VECV maintains a strong commitment to tax compliance and ethical practices in all its tax-related activities. The company has a clear tax strategy overseen by the Chief Financial Officer (CFO) and the Vice President of Corporate Taxation, who regularly review the company's

approach to taxation to ensure compliance with all applicable tax laws. This strategy ensures that VECV aligns its tax responsibilities with its business operations and broader sustainable development goals.

## KEY ELEMENTS OF VECV'S APPROACH TO TAX INCLUDE



### Regulatory Compliance

VECV ensures timely payment of taxes and full compliance with applicable laws, supported by continuous monitoring of tax legislation changes to guarantee business unit adherence.



### Effective Risk Management

VECV identifies, manages, and monitors tax risks through consultation with external tax advisors and regular audits.



### Sustainability Alignment

VECV's tax approach is directly linked to its overall business strategy and sustainability goals, ensuring that tax practices support long-term growth and infrastructure investments.

**During FY 2023-24, VECV received financial assistance from the government totalling ₹3,788.07 million, which included:**



**₹430.4 million**

Tax Relief & Credits



**₹516.9 million**

Export Credit Agency Assistance



**₹2,840.77 million**

Other Financial Benefits

This financial support from the government has been instrumental in driving VECV's strategic initiatives, enabling the company to invest in advanced manufacturing technologies, expand its sustainability initiatives, and enhance its competitive position in the global market.



## LOOKING AHEAD

The coming year is expected to bring further growth, driven by strong demand for commercial vehicles, particularly in the tipper, tractor, and bus segments. The Union Budget's allocation of ₹10 trillion for infrastructure development, coupled with the Atmanirbhar Bharat initiative and PLI schemes, will continue to fuel demand for VECV's products. However, we remain cautious

about potential challenges such as geopolitical tensions, rising inflation, and fluctuations in fuel and commodity prices. Despite these risks, VECV is well-prepared to navigate uncertainties with a customer-centric approach, an expanded product portfolio, and continued investments in innovation and sustainability.

# CUSTOMER ENGAGEMENT AND SATISFACTION

At VECV, we view our customers as integral partners in our journey towards sustainable growth and operational excellence. As a key player in the commercial vehicle sector, the success of our business hinges on how well we engage with

and address the needs of our diverse customer base. This section outlines our strategic approach to customer engagement and satisfaction, guided by industry best practices and aligned with the GRI 2021 standards for sustainable development.



## CUSTOMER ENGAGEMENT STRATEGY

Our approach to customer engagement is multi-faceted, aiming to ensure consistent communication, transparent interactions, and collaborative relationships with all stakeholders. The key pillars of our engagement strategy are:



### Proactive Communication

We maintain open lines of communication with our customers throughout their journey with VECV. From the moment a potential customer expresses interest in our products, we prioritize timely and transparent interactions, ensuring they are well-informed about product specifications, features, and performance. This proactive communication is facilitated through various channels, including direct sales consultations, digital platforms, and regular customer feedback loops.



### Feedback Mechanisms

Continuous improvement is a core principle at VECV, and customer feedback is one of the primary drivers of innovation and development. We have robust feedback mechanisms in place, such as our "iConnect" feedback system, which captures customer insights at multiple touchpoints. In FY 2023-24 alone, we gathered over 65,000 pieces of feedback through this platform, allowing us to make data-driven decisions to improve products and services.



### Customer Relationship Executives (CREs)

Our dedicated Customer Relationship Executives (CREs) play a critical role in maintaining ongoing engagement with our clients. CREs undergo rigorous training in both technical and soft skills to ensure they provide excellent customer service. We continue to certify CREs ensuring that they are equipped with the knowledge and skills to manage customer relationships effectively, resolve issues promptly, and maintain customer satisfaction.



### Predictive Diagnostics and Uptime Solutions

As part of our commitment to delivering exceptional service, we offer predictive diagnostics services that utilize telematics data to anticipate vehicle breakdowns and prevent costly disruptions. These insights are shared with customers in real time, helping them maintain optimal vehicle performance while ensuring the safety of drivers and passengers. This service saves an estimated 200+ engines each month, enhancing customer trust in our brand's reliability.



### Site Support Initiatives

In addition to vehicle sales and service, VECV provides specialized site support for large fleet customers operating in remote areas. Our team ensures that our commercial vehicles maintain industry-best uptime, supporting construction, mining, and irrigation sectors. In FY 2023-24, our site support services covered over 295 sites, delivering superior uptime and ensuring customers can meet their project deadlines efficiently.



## DRIVING CUSTOMER SATISFACTION THROUGH INNOVATION AND IMPROVEMENT

Innovation is central to VECV's business model, and customer feedback is a critical input for our product development and improvement processes. By consistently engaging with our customers and understanding their evolving needs, we are able to introduce solutions that cater to specific market demands while keeping pace with the latest industry trends. Some of the key areas where customer input has driven innovation include:



### Product Design and Features

Our research and development (R&D) teams work closely with the Product Development and Product Support functions to ensure that every new vehicle design prioritizes customer health, safety, and performance. In FY 2023-24, there were no incidents of non-compliance concerning the health and safety impacts of products and services. By leveraging feedback from drivers and fleet managers, we introduce features that not only improve vehicle usability but also enhance comfort and efficiency. This process is ongoing and forms the foundation of our customer-first product strategy. We adhere to all applicable laws, encompassing product packaging, labeling, and after-sales service requirements. Our products and services are marketed based on their intrinsic value, without making unfair or misleading claims about competitors. Moreover, there were no instances of non-compliance related to marketing communications, such as sponsorships, promotions, or advertisements, regarding product or service information and labeling.



### Enhanced Safety Measures

We have integrated comprehensive safety protocols into both product design and aftermarket support services. Our driver training programs emphasize the importance of safe driving practices, leading to safer roads and vehicles. In FY 2023-24, Eicher successfully trained 36,336 heavy commercial vehicle drivers, with 26,805 in haulage and 9,531 in tipper operations, ensuring enhanced safety and skill development across the industry. As part of its CSR initiatives, Eicher has screened 2,70,358 truck drivers across 25 states up to FY 2023-24, and continues to provide eye and ear care services to over 150,000 drivers annually, demonstrating its commitment to the well-being and safety of India's trucking community. This effort not only boosts customer satisfaction but also helps reduce carbon emissions in the commercial vehicle sector.



### Technical Support and After-Sales Service

VECV's customer support does not end with the sale of a vehicle. Our extensive after-sales services include training on vehicle operations, regular maintenance support, and immediate response to any safety concerns that arise. Should any health and safety risks related to our products be identified, our Quality Assurance team works swiftly to address the issue through recall or repair campaigns at no cost to the customer.



## CUSTOMER SATISFACTION KPIs

To gauge our success in meeting customer expectations, VECV tracks various performance indicators that highlight both strengths and areas for improvement. Some of the key metrics for FY 2023-24 include:



### **Customer Complaints Response Time**

We are proud to report that 95% of customer complaints were responded to within 24 hours as of March 2024, demonstrating our commitment to prompt service and effective resolution of issues.



### **Predictive Diagnostics Performance**

Our predictive diagnostics service consistently delivers high performance, preventing potential vehicle breakdowns and improving operational efficiency. The service has a track record of saving over 200 engines monthly.



### **Customer Satisfaction Ratings**

We achieved one of our highest-ever PRS (Product Rating Score) ratings in March 2024, with a top-2 score of 94%. This reflects our success in meeting customer expectations in terms of vehicle quality, reliability, and service support.

## CUSTOMER DATA PROTECTION AND PRIVACY

VECV takes every measure to ensure that customer data is protected in accordance with applicable laws. In an increasingly digital world, safeguarding personal and business information is paramount to maintaining customer trust. We have implemented a comprehensive data protection policy that outlines the procedures we follow to collect, store, and use customer data responsibly. Additionally, we offer our customers complete transparency on how their data is used and ensure that all digital interactions are secure.

## FAIR COMPETITION AND ETHICAL DEALINGS

Our engagement with customers is not only focused on satisfaction but also rooted in ethical business practices. We are fully aligned with the principles of fair competition, ensuring that we operate in open, transparent markets. VECV strictly adheres to competition laws and does not engage in practices that would give us an unfair advantage, such as price-fixing, collusion, or any form of anti-competitive behavior. We believe in a level playing field where innovation, service quality, and customer satisfaction are the key differentiators in the marketplace.





## BUILDING LONG-TERM CUSTOMER RELATIONSHIPS

At VECV, we recognize that satisfied customers are not just repeat buyers but also ambassadors of our brand. Their loyalty helps us build a strong market presence and expand our reach across segments. By continuously engaging with our customers, we foster long-term relationships that are mutually beneficial, built on trust, and supported by our ability to consistently deliver value.



### **Loyalty Programs**

We offer customer loyalty programs that reward repeat business and encourage ongoing engagement. These programs are designed to provide tangible benefits, such as priority service, special discounts, and exclusive access to new product features.



### **Customer-Centric Product Customization**

VECV offers customization options that allow customers to tailor our commercial vehicles to their specific needs. This flexibility enhances customer satisfaction by ensuring that they receive products that are perfectly aligned with their operational requirements.



### **Sustained Market Leadership**

Our close engagement with customers across various sectors ensures that VECV remains a market leader in commercial vehicle manufacturing and services. By staying attuned to their needs and addressing challenges promptly, we continue to deliver superior value that drives our business forward.

Customer engagement and satisfaction are at the core of VECV's business strategy. Through proactive communication, a focus on innovation, and a commitment to providing exceptional service, we ensure that our customers receive not only the best products but also the best overall experience. We reinforce our role as a trusted

partner in delivering sustainable mobility solutions that meet the demands of today's dynamic markets. As we continue to evolve, we will keep our customers at the forefront of everything we do, fostering strong relationships that drive long-term growth and success.





# PRODUCT INNOVATION AND SUSTAINABLE MOBILITY

In the rapidly evolving landscape of the automotive industry, product innovation guided by sustainability is no longer optional—it is essential. As global concerns over climate change, air quality, and resource depletion grow, the need for cleaner, safer, and more efficient transportation solutions has become paramount. At VECV, we recognize this imperative and are leading the way by integrating sustainability into every aspect of our product development and

mobility solutions. Our goal is to ensure that we contribute to a future where mobility is not only efficient and cost-effective but also responsible and sustainable.

As the world shifts towards more sustainable energy sources, VECV is actively engaged in the development of electric and hybrid vehicle technologies that offer clean and efficient solutions for commercial transport.

## DRIVING INNOVATION FOR A GREENER FUTURE

At the heart of VECV's product development efforts is the pursuit of reducing the environmental impact of our vehicles while meeting the growing demand for high-performance commercial transport solutions. Our approach to product innovation encompasses advancements in fuel efficiency, emissions reduction, and alternative energy sources, all designed to minimize our vehicles' ecological footprint and improve sustainability across the value chain.



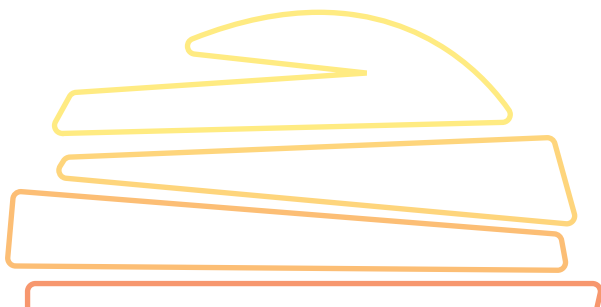
### Alternative Fuel Solutions

VECV is deeply invested in exploring and developing vehicles powered by alternative fuels. From natural gas and biofuels to hydrogen-based engines, we are researching and testing a range of cleaner energy options. These alternatives offer reduced greenhouse gas (GHG) emissions compared to traditional diesel engines, paving the way for more eco-friendly transportation solutions in both urban and rural environments.



### Electric Mobility

As part of the global push toward electrification, VECV is at the forefront of electric mobility innovations. Our research and development teams are focused on designing and manufacturing electric commercial vehicles (EVs) that not only meet stringent environmental standards but also deliver superior performance, reliability, and energy efficiency. Electric mobility is a critical component of our strategy to significantly reduce emissions in the automotive sector and align with the global transition to clean energy.





## ENHANCING VEHICLE SAFETY FOR SUSTAINABLE MOBILITY

Safety and sustainability go hand in hand at VECV. We believe that true innovation in mobility must address the well-being of both people and the environment. As such, we are continuously enhancing our vehicles to ensure they meet the highest safety standards while also incorporating features that promote environmental responsibility.



### Safer Vehicles for All

Ensuring the safety of drivers, passengers, and pedestrians is central to our innovation efforts. VECV incorporates advanced safety technologies, such as automated braking systems, electronic stability control, and collision avoidance systems, into our vehicles to reduce accidents and enhance road safety. Additionally, we are committed to ensuring that our vehicles meet or exceed all safety regulations in the regions where we operate.



### Eco-Friendly Design

In designing safer vehicles, we also focus on minimizing environmental harm. Lightweight materials, aerodynamic designs, and energy-efficient engines not only contribute to fuel savings but also help reduce the overall carbon footprint of our vehicles. These design elements are critical to achieving our goal of creating safer and greener commercial transportation solutions.

## FUEL EFFICIENCY AND EMISSION REDUCTION

One of the biggest challenges facing the automotive industry today is the reduction of emissions, particularly in the commercial vehicle sector. VECV is addressing this challenge by developing vehicles that are more fuel-efficient and environmentally friendly, contributing to a cleaner future for transportation.



### Engine Efficiency Improvements

Our engineers are constantly working to enhance the fuel efficiency of our vehicles. Through innovations in engine design and optimization, VECV has achieved significant reductions in fuel consumption across our product line. These improvements not only help fleet operators reduce operational costs but also contribute to lowering emissions.



### Emission Control Technologies

VECV is a leader in adopting and advancing emission control technologies. Our vehicles are equipped with state-of-the-art systems designed to limit pollutants such as nitrogen oxides (NOx) and particulate matter (PM), ensuring compliance with increasingly stringent emission standards worldwide. By integrating selective catalytic reduction (SCR) systems, diesel particulate filters (DPFs), and exhaust gas recirculation (EGR) technologies, we are significantly reducing the environmental impact of our vehicles.



### Hybrid Solutions

VECV is also exploring hybrid technologies as a transitional step towards full electrification. By combining conventional internal combustion engines (ICE) with electric motors, hybrid vehicles offer improved fuel efficiency and reduced emissions, making them a practical and sustainable solution for operators who are not yet ready to transition fully to electric power.



## SUSTAINABILITY THROUGH LIFECYCLE INNOVATION

At VECV, we adopt a lifecycle approach to sustainability in product innovation. This means considering the environmental impact of our vehicles at every stage—from design and manufacturing to use and end-of-life disposal.



### Eco-Design and Materials

We place a strong emphasis on using sustainable materials in vehicle manufacturing. This includes the use of recycled materials, lightweight alloys, and biodegradable components that help reduce the environmental impact of our vehicles over their lifecycle. Eco-design principles are integrated into every stage of our product development, ensuring that sustainability is a core consideration from concept to production.



### End-of-Life Management

Ensuring that our vehicles can be easily dismantled and recycled at the end of their operational life is a key aspect of our sustainability strategy. VECV is committed to enhancing the recyclability of our vehicles by using materials that are easier to recycle and designing components that can be disassembled with minimal environmental impact. Through these efforts, we aim to reduce the waste generated by end-of-life vehicles and contribute to a circular economy.

## COLLABORATIVE INNOVATION FOR A SUSTAINABLE FUTURE

Achieving meaningful progress in sustainable mobility requires collaboration across the entire automotive value chain. VECV is working closely with a diverse range of stakeholders—suppliers, technology partners, research institutions, and government bodies—to drive forward innovation in sustainability.



### Partnerships for Sustainable Innovation

VECV actively partners with leading technology providers and research institutions to co-develop cutting-edge solutions for sustainable mobility. These collaborations allow us to leverage the latest advancements in battery technology, energy management systems, and alternative fuels, ensuring that our vehicles remain at the forefront of sustainable innovation.



### Customer-Centric Innovation

Our product development efforts are driven by a deep understanding of customer needs and expectations. We engage with our customers to gather insights on how they use our vehicles and where they see opportunities for improvement. By incorporating customer feedback into our innovation process, VECV is able to deliver vehicles that meet the evolving demands of the commercial transport sector while staying aligned with sustainability goals.

VECV's approach to product innovation and sustainable mobility is guided by a vision of creating cleaner, safer, and more efficient transportation solutions for the future. By integrating sustainability into every aspect of our vehicle design and development, we are not only addressing the challenges of today but also preparing for the opportunities of tomorrow. As we continue to push the boundaries of innovation, our focus remains on delivering products that not only meet the highest standards of performance but also contribute to a more sustainable and responsible mobility ecosystem.







## CYBERSECURITY

In an increasingly digital world, the importance of cybersecurity cannot be overstated, especially for a company like VECV, which operates at the intersection of advanced automotive technology, manufacturing, and transportation. As our vehicles, systems, and operations become more connected and data-driven, safeguarding sensitive information and protecting our digital infrastructure has become critical to ensuring business continuity, customer trust, and regulatory compliance.

VECV recognizes that cybersecurity is an integral part of our overall risk management framework, and we take a proactive approach to protect our information technology (IT) and operational technology (OT) environments from the evolving threat landscape. Through continuous investment in state-of-the-art cybersecurity technologies, employee training, and collaborative initiatives, we are building a secure digital ecosystem that can withstand external threats and safeguard the integrity, confidentiality, and availability of our data.





## CYBERSECURITY STRATEGY AND GOVERNANCE

At VECV, cybersecurity is governed at the highest levels of the organization, ensuring that the necessary resources, oversight, and strategic direction are provided to mitigate potential cyber risks.



### Cybersecurity Governance

Our cybersecurity governance framework is designed to ensure comprehensive protection across the enterprise. The framework includes an internal Cybersecurity Committee that oversees all cybersecurity-related activities, strategies, and policies. This committee is responsible for monitoring the latest cybersecurity threats, identifying areas of vulnerability, and ensuring the implementation of industry best practices. Cybersecurity reports are regularly presented to senior management and the Board of Directors to ensure executive-level visibility and accountability.



### Risk-Based Approach

VECV follows a risk-based approach to cybersecurity, prioritizing security measures based on the potential impact of different cyber threats. Through regular risk assessments and audits, we identify and address vulnerabilities in our IT and OT infrastructure, ensuring that our cybersecurity efforts are aligned with both business goals and regulatory requirements.

## DATA PROTECTION AND PRIVACY

With the growing amount of data generated by our business operations, customers, and connected vehicles, data protection is a top priority at VECV. We are committed to ensuring that all personal, customer, and business-critical data is handled securely and in accordance with global data privacy standards.



### Data Encryption

To protect sensitive data from unauthorized access, VECV employs advanced encryption technologies for data both in transit and at rest. This ensures that even if data is intercepted or compromised, it remains unreadable and unusable to malicious actors.



### Data Access Controls

VECV uses strict access control policies to ensure that only authorized personnel have access to sensitive information. We employ role-based access controls (RBAC) and multi-factor authentication (MFA) to minimize the risk of unauthorized access to critical systems and data.



### Compliance with Data Protection Regulations

VECV adheres to all relevant data protection laws and regulations. Our data privacy practices ensure that personal information is collected, processed, stored, and shared in a manner that respects individuals' rights and privacy.





**CYBERSECURITY AWARENESS AND TRAINING**

People play a crucial role in maintaining a strong cybersecurity posture, which is why VECV invests heavily in cybersecurity awareness and training programs for employees. We believe that cybersecurity is everyone’s responsibility, and we aim to foster a culture of vigilance and security-conscious behavior across the organization.



**Employee Training Programs**

VECV conducts regular cybersecurity training sessions for employees at all levels, from frontline staff to senior executives. These programs are designed to educate employees about common cyber threats such as phishing, ransomware, and social engineering attacks, as well as best practices for password management and safe internet use.



**Phishing Simulations**

To help employees recognize and respond to phishing attempts, VECV runs periodic phishing simulations. These simulations are designed to mimic real-world phishing attacks, providing employees with practical experience in identifying suspicious emails and reporting them to the appropriate cybersecurity teams.

**INCIDENT RESPONSE AND CYBER RESILIENCE**

Despite the best preventive measures, cybersecurity incidents can still occur. VECV has developed a robust incident response plan to ensure that we are well-prepared to respond quickly and effectively to any cyber threats or breaches. Our goal is to minimize the impact of cybersecurity incidents on our business operations, customers, and partners.



**Incident Response Plan (IRP):**

VECV's Incident Response Plan (IRP) outlines the procedures to be followed in the event of a cybersecurity incident. The IRP includes clear roles and responsibilities for the incident response team, escalation procedures, and communication protocols. Regular simulations and drills are conducted to ensure that our response teams are ready to act swiftly and decisively in the event of a cyber-attack.



**Cybersecurity Resilience**

In addition to response planning, VECV is focused on building cyber resilience, ensuring that we can recover quickly from cyber incidents. This includes regular backups of critical data, redundant systems for critical operations, and disaster recovery plans to minimize downtime in the event of an attack.

Cybersecurity KPIs	Number of Complaints	VECV has not received any substantiated complaints related to breaches of customer privacy from external parties or regulatory bodies, and no data leaks, thefts, or losses have been identified. This reflects the organization's strong data privacy and protection measures
Complaints received from outside parties and substantiated	0	
Complaints received from regulatory bodies	0	
Identified leaks, thefts, or losses of customer data	0	

## COLLABORATING FOR A SAFER DIGITAL ECOSYSTEM

At VECV, we recognize that cybersecurity is a shared responsibility that requires collaboration across industries and sectors. We actively engage with cybersecurity forums, industry groups, and government agencies to stay informed about the latest cyber threats and best practices.



### Industry Collaboration

VECV participates in industry-wide initiatives to enhance cybersecurity practices and share information about emerging threats. By collaborating with other automotive companies, technology providers, and cybersecurity experts, we are able to stay ahead of evolving cyber threats and strengthen our overall security posture.



### Government and Regulatory Partnerships

VECV also works closely with government agencies and regulators to ensure compliance with cybersecurity regulations and to participate in national initiatives aimed at improving cybersecurity across critical sectors, including automotive manufacturing.

Cybersecurity is a fundamental component of VECV's commitment to responsible business practices and long-term success. As we continue to innovate and adopt new technologies, we remain vigilant in safeguarding our digital infrastructure, protecting sensitive data, and ensuring the safety and security of our operations, employees, and customers. Through continuous improvement, employee education, and strategic partnerships, VECV is building a resilient cybersecurity framework capable of withstanding the challenges of today's digital world and those of tomorrow.







## RESPONSIBLE SUPPLY CHAIN AND SOURCING

In today's interconnected global economy, a sustainable and responsible supply chain is key to long-term business success and plays a pivotal role in addressing environmental, social, and governance (ESG) challenges. At VECV, we are committed to ensuring that our procurement and sourcing practices reflect our dedication to sustainability. As a commercial vehicle manufacturer, our supply chains span across diverse geographies and industries, including raw materials, components, packaging, and services. We recognize the profound impact our supply chain decisions can have on the environment, society, and local communities.

Through our responsible supply chain and sourcing practices, we aim to minimize environmental impact, promote fair labor practices, and enhance the overall sustainability of our business. Our approach aligns with the GRI 2021 standards, which require organizations to disclose how they manage supply chain risks, how they engage with suppliers, and the measures they take to ensure sustainable sourcing practices.



## COMMITMENT TO SUSTAINABLE PROCUREMENT

At VECV, sustainability is integrated into our procurement strategy. Our approach goes beyond financial and operational considerations, placing significant emphasis on environmental stewardship and social responsibility. This holistic approach not only helps us mitigate supply chain risks but also enables us to drive innovation and maintain resilience in an evolving global marketplace.



### Supplier Selection

VECV prioritizes suppliers who share our values and commitment to sustainability. Our supplier selection process incorporates criteria such as environmental performance, social responsibility, and adherence to ethical labor practices. We assess potential partners on their ability to meet both operational needs and sustainability goals. In addition to cost and quality, we evaluate suppliers on their use of sustainable raw materials, waste management practices, and energy efficiency.



### Sustainable Raw Material Sourcing

A significant portion of our environmental footprint stems from the sourcing of raw materials. To reduce this impact, we actively seek suppliers who provide responsibly sourced raw materials, such as recycled metals, certified sustainable materials, and those with a lower carbon footprint. We also prioritize suppliers who are committed to reducing their reliance on natural resources and who adopt circular economy principles in their manufacturing processes.



### Local Sourcing

To minimize transportation-related emissions and support local economies, VECV strives to source materials locally whenever possible. Our emphasis on local procurement also enhances supply chain agility and reduces the environmental costs associated with long-distance transportation. Through local sourcing, we contribute to the economic development of the regions in which we operate, creating jobs and fostering sustainable growth.







## ENVIRONMENTAL AND SOCIAL STANDARDS IN SUPPLY CHAIN

Ensuring that our suppliers adhere to high environmental and social standards is a critical part of our responsible sourcing strategy. We work closely with our suppliers to ensure compliance with national and international regulations, as well as our own sustainability expectations.



### Environmental Standards

We expect all of our suppliers to have a robust environmental management system in place. This includes practices such as reducing Greenhouse Gas (GHG) emissions, minimizing water and energy use, and adopting eco-friendly manufacturing processes. VECV encourages suppliers to obtain certifications such as ISO 14001, which provides a framework for effective environmental management and continuous improvement.



### Social Responsibility

Ethical labor practices are at the core of our supplier relationships. VECV is committed to ensuring that all suppliers adhere to internationally recognized labor standards, including fair wages, safe working conditions, and respect for human rights. We have zero tolerance for practices such as forced labor, child labor, and discrimination within our supply chains. Suppliers are required to comply with our Code of Conduct, which outlines the minimum ethical and social standards that must be upheld.



### Supplier Audits and Assessments

To ensure compliance with these environmental and social standards, VECV conducts regular audits and assessments of our suppliers. These audits cover a wide range of factors, including labor practices, environmental performance, health and safety conditions, and adherence to sustainability goals. If non-compliance is identified, we work with the supplier to implement corrective actions or, in severe cases, terminate the partnership.



## LIFECYCLE APPROACH TO SUPPLY CHAIN SUSTAINABILITY

One of the key principles guiding our supply chain strategy is a lifecycle approach. By considering the entire lifecycle of products and materials—from extraction and production to use and disposal—we are better equipped to identify opportunities for reducing environmental impact and improving social outcomes.



### Lifecycle Assessment (LCA)

We conduct lifecycle assessments for key raw materials and components used in our vehicles. LCA helps us understand the environmental impact of materials throughout their lifecycle, from raw material extraction to end-of-life disposal. By identifying materials with high environmental footprints, we can make informed decisions about alternative materials or design changes that enhance sustainability.



### Circular Economy Initiatives

At VECV, we believe in the importance of adopting circular economy principles. By working with suppliers to incorporate recycled materials, reduce waste, and design products for durability and recyclability, we are able to minimize the environmental impact of our supply chain. We encourage suppliers to adopt practices that reduce resource consumption and waste generation, ultimately contributing to a more sustainable and circular supply chain.

## SUSTAINABILITY IN PACKAGING

In addition to sourcing raw materials responsibly, VECV is focused on reducing the environmental impact of packaging materials used in our supply chain. In FY 2023-24, we implemented several initiatives aimed at reducing non-sustainable packaging and improving the recyclability of packaging materials.



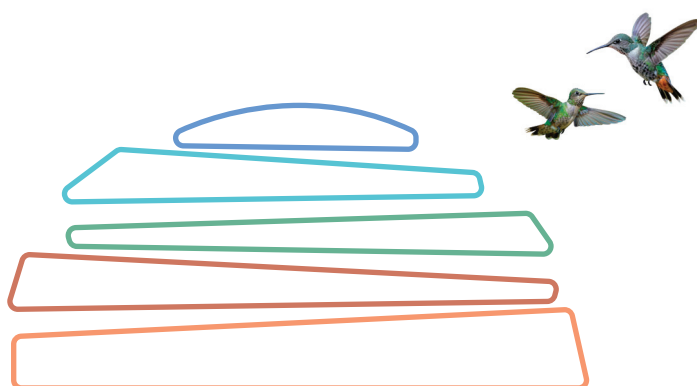
### Reduction in Non-Sustainable Packaging

Between April 2023 and March 2024, VECV successfully reduced the usage of non-sustainable packaging materials by 468 tons, exceeding our initial goal of 400 tons. Cumulative reduction is 986 tons against cumulative target of 900 tons. This reduction was achieved through the increased use of sustainable packaging alternatives such as wooden crates, corrugated cardboard, and other biodegradable materials.



### Recyclable and Reusable Packaging Solutions

We are also working with suppliers to develop packaging solutions that are both recyclable and reusable. By transitioning to materials that can be reused multiple times or easily recycled at the end of their lifecycle, we are reducing waste generation and lowering our overall environmental impact.





## CONTINUOUS SUPPLIER ENGAGEMENT AND IMPROVEMENT

Our commitment to a sustainable supply chain extends beyond initial supplier selection and audits. VECV fosters a culture of continuous improvement, working collaboratively with our suppliers to set and achieve sustainability goals.



### Supplier Engagement Programs

We regularly engage with our suppliers through workshops, training sessions, and collaborative projects aimed at improving sustainability performance. By sharing best practices and providing resources for improvement, we help our suppliers enhance their environmental and social responsibility initiatives. These engagement programs are an integral part of our broader effort to drive sustainability throughout our supply chain.



### Sustainability Targets for Suppliers

VECV works closely with suppliers to set measurable sustainability targets in areas such as energy efficiency, waste reduction, and emissions management. Progress towards these targets is tracked and evaluated annually, with incentives provided to suppliers who meet or exceed their sustainability goals. Through this approach, we are building long-term partnerships with suppliers who are committed to continuous improvement and innovation in sustainability.

## TRANSPARENCY AND ACCOUNTABILITY IN SUPPLY CHAIN MANAGEMENT

Transparency is a key pillar of VECV's responsible supply chain strategy. We believe that open and honest communication with our suppliers is essential for maintaining trust and ensuring that sustainability expectations are met.



### Supplier Code of Conduct

VECV's Supplier Code of Conduct outlines our expectations for ethical business practices, environmental responsibility, and social standards. This document serves as a framework for suppliers, helping them understand the values and commitments that guide our procurement decisions. All suppliers are required to sign and adhere to this Code of Conduct as part of our supplier onboarding process.



### Performance Monitoring and Reporting

We monitor supplier performance through a comprehensive evaluation system that includes sustainability metrics, compliance with regulations, and adherence to VECV's sustainability standards. This performance data is regularly reviewed and used to make informed decisions about supplier partnerships. Additionally, we report on our supply chain sustainability performance in our annual Sustainability Report, providing stakeholders with a transparent overview of our progress and challenges.



### Certifications and Standards

To further enhance transparency and accountability, VECV encourages suppliers to obtain relevant certifications such as ISO 14001 (Environmental Management Systems) and ISO 45001 (Occupational Health and Safety Management). These certifications provide third-party validation of a supplier's commitment to sustainability and offer an additional layer of assurance that our supply chain is aligned with global best practices.



## DRIVING INNOVATION FOR SUSTAINABLE SOURCING

Innovation is at the heart of VECV's sustainability strategy. We are constantly exploring new materials, technologies, and processes that can enhance the sustainability of our supply chain and reduce our overall environmental footprint.



### Alternative Materials

VECV is actively researching and testing alternative materials that offer reduced environmental impact without compromising on performance. This includes lightweight materials that improve fuel efficiency, bio-based materials, and advanced composites that are both durable and recyclable. By investing in research and development, we are driving innovation that will enable us to transition to more sustainable material sourcing.



### Digitalization and Smart Supply Chain Solutions

The use of digital tools and technologies is playing an increasingly important role in our efforts to build a more sustainable supply chain. Through digital supply chain management platforms, we are able to track and monitor supplier performance, manage risks more effectively, and identify opportunities for improvement in real-time. Smart supply chain solutions are also helping us optimize logistics, reduce emissions, and improve overall operational efficiency.

At VECV, responsible supply chain and sourcing practices are foundational to our sustainability journey. By prioritizing ethical labor practices, reducing environmental impact, and fostering innovation, we are building a supply chain that is resilient, sustainable, and aligned with the values that guide our business. Our commitment to responsible sourcing goes beyond compliance—it reflects our dedication to creating a positive impact on the environment, society, and the communities we serve. As we continue to grow, we remain focused on strengthening our supplier relationships, driving sustainability throughout our value chain, and contributing to a more sustainable future for all.





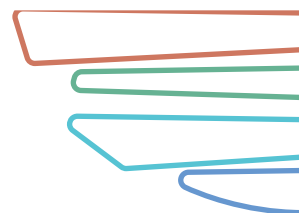


At VECV, our dealerships play a critical role in delivering exceptional customer service while also being key partners in our commitment to sustainable practices. Our objective is to build a fully engaged dealer network that excels not only in customer satisfaction but also in promoting sustainability. We view our dealers as stewards of our sustainability mission, ensuring they are equipped with the necessary knowledge, training, and tools to minimize environmental impact while delivering top-tier service.

To this end, VECV has implemented a comprehensive dealer onboarding system that includes assessments of service quality and compliance with fire safety and environmental standards. Dealership employees undergo rigorous training in fire safety and handling emergency situations, ensuring that all dealerships provide a safe and eco-conscious environment for customers.

Our engagement with dealers extends beyond day-to-day operations to foster sustainable practices. We support dealers with guidance on infrastructure design and best practices for environmental management, including waste oil management, responsible waste disposal, and rainwater harvesting. These efforts underscore our commitment to creating sustainable dealerships that not only meet customer needs but also champion eco-responsibility.





# PRODUCT QUALITY AND SAFETY

In the automotive industry, particularly in the commercial vehicle sector, product quality and safety are paramount. As a leading manufacturer of buses and trucks, VECV places the utmost importance on ensuring that every vehicle that leaves our production line meets the highest

standards of safety, reliability, and performance. Our commitment to product quality and safety is not only fundamental to our operational success but also to the safety and well-being of the drivers, passengers, and communities that interact with our vehicles every day.

## ENSURING SUPERIOR PRODUCT QUALITY

At VECV, product quality is deeply embedded in every phase of our vehicle manufacturing process—from design and development to production and post-sale service. The ability of our vehicles to perform optimally in diverse conditions, whether it be long-haul transportation, urban commuting, or challenging terrains in construction and mining sectors, reflects our unwavering focus on excellence.



### Robust Quality Management Systems

Our Quality Management Systems (QMS) are integral to maintaining and enhancing product quality. These systems are designed to oversee every aspect of our operations, ensuring that each component of a vehicle is scrutinized for compliance with internal and external standards. We implement internationally recognized quality standards such as ISO 9001, which governs our production processes and aligns them with best practices.



### Precision in Manufacturing

VECV's manufacturing plants are equipped with state-of-the-art technology that enables precise assembly and testing of vehicles. Our advanced robotic systems, coupled with skilled human oversight, ensure that every vehicle meets the highest quality thresholds. Additionally, our zero-defect approach to production emphasizes thorough checks at each stage of assembly, ensuring that any potential issues are identified and rectified before the vehicle is cleared for delivery.



### Continuous Improvement Programs

We embrace a culture of continuous improvement at VECV, driven by Lean Six Sigma principles and Kaizen methodologies. These programs enable us to consistently evaluate our manufacturing processes, identify areas for improvement, and reduce waste, which in turn enhances product quality. By fostering innovation and operational excellence, we ensure that our products remain competitive and meet the evolving demands of our customers.



### Supplier Quality Assurance

Product quality begins with the components and materials used in our vehicles. To ensure that our suppliers meet VECV's rigorous standards, we implement strict quality control measures throughout our supply chain. This includes regular audits of supplier facilities, performance assessments, and stringent testing of materials to verify their durability and compatibility with our vehicles. These efforts ensure that every part used in our trucks and buses contributes to the overall quality of the end product.

## PRIORITIZING VEHICLE SAFETY

Safety is at the core of VECV's product development strategy. We understand that the drivers and passengers of our commercial vehicles rely on us to provide a safe and secure experience on the road. Whether it's long-distance truck drivers navigating highways or buses transporting passengers in congested urban environments, safety is non-negotiable.



### Safety-Focused Product Development

Our product development teams are constantly innovating to incorporate the latest safety technologies into our vehicles. We have implemented rigorous safety standards throughout the design and manufacturing process, from concept to completion. VECV's engineers conduct extensive simulations and crash tests to identify and mitigate potential risks, ensuring that our vehicles can withstand real-world scenarios. This proactive approach allows us to anticipate and address safety challenges before they arise.



### Driver and Passenger Protection

VECV's commercial vehicles are equipped with a range of features designed to protect both drivers and passengers. Our trucks and buses incorporate advanced braking systems, such as Anti-lock Braking Systems (ABS) and Electronic Brakeforce Distribution (EBD), which enhance vehicle stability and control, especially in emergency situations. Additionally, we install airbags, seatbelt reminders, and high-strength structural components that absorb impact and reduce the likelihood of injuries during collisions.



### Telematics and Predictive Safety Technologies

Safety in commercial vehicles has been greatly enhanced by telematics, and VECV is at the forefront of integrating these technologies into our products. Our vehicles are equipped with telematics systems that provide real-time monitoring of critical vehicle functions such as engine performance, tire pressure, and driver behavior. Predictive diagnostics offer alerts for potential issues, enabling preventive maintenance and reducing the risk of accidents caused by mechanical failure. This system also contributes to fleet safety by identifying driving patterns that may pose risks, allowing for targeted interventions such as additional training for drivers.



### Enhanced Visibility and Control

Operating a commercial vehicle often involves navigating challenging road conditions and tight spaces. VECV addresses these challenges by incorporating safety features that improve vehicle visibility and control. Our trucks and buses are designed with wide-angle mirrors, rearview cameras, and sensors to aid drivers in detecting obstacles and making safer maneuvers. For vehicles operating in low-visibility environments, such as construction sites, we offer advanced lighting systems and night-vision features that enhance driver awareness.



### Focus on Accident Prevention

At VECV, we recognize that preventing accidents is just as important as ensuring vehicle safety in the event of an incident. We actively work on minimizing both the occurrence and consequences of road accidents involving our vehicles. Our "Uptime" initiative, which is a suite of services aimed at maximizing vehicle availability and performance, plays a critical role in reducing accident rates by predicting breakdowns and ensuring that vehicles are always roadworthy.





### Comprehensive Training for Drivers

Human error is a leading cause of road accidents, and we address this through extensive driver training programs. In FY 2023-24, VECV conducted 1,309 driver training programs, educating over 28,000 drivers on safe driving practices, vehicle maintenance, and fuel efficiency. By instilling safe driving habits, we not only improve the overall safety of our vehicles but also contribute to reducing carbon emissions through more efficient driving techniques.



### After-Sales Safety Support

Our commitment to safety extends beyond vehicle delivery. VECV offers after-sales services that ensure continuous safety support for our customers. This includes periodic vehicle inspections, recall management, and safety upgrades as necessary. In cases where new safety risks are identified, our Quality team initiates campaigns to address the issues promptly and at no cost to the customer.

## REGULATORY COMPLIANCE AND PRODUCT LIABILITY

As a responsible manufacturer, VECV ensures that all our products meet or exceed the regulatory requirements for safety and quality in the markets we operate in. We closely monitor evolving safety standards, both nationally and internationally, and continuously adapt our products to remain compliant with these regulations.



### Adherence to Safety Standards

VECV complies with all national and international safety regulations, including the Automotive Industry Standards (AIS), the Central Motor Vehicle Rules (CMVR), and other regional safety codes. These standards guide the design, construction, and maintenance of our vehicles to ensure they are safe for both drivers and passengers.



### Product Liability Management

We recognize that product liability poses a serious risk to the automotive industry, and as such, we have stringent processes in place to mitigate this risk. VECV continuously assesses the safety of our products through internal audits, customer feedback, and real-world performance data. Should any safety-related defects be identified, we take immediate action to recall and rectify affected vehicles, minimizing the risk of accidents and ensuring the safety of our customers.



### Global Best Practices

VECV incorporates global best practices in quality and safety management to ensure that our products are world-class. We regularly benchmark our performance against international standards and collaborate with industry bodies to stay at the cutting edge of safety technologies and regulations.

## CUSTOMER-CENTRIC APPROACH TO QUALITY AND SAFETY

Customer satisfaction is directly linked to the quality and safety of the vehicles we produce. At VECV, we place our customers at the center of our quality and safety initiatives, ensuring that their needs and concerns are addressed proactively.



### Engagement with Customers on Safety

Our engagement with customers on safety-related matters is continuous and multi-channel. We conduct regular safety audits and communicate with fleet owners, drivers, and passengers to gather insights on product performance. This feedback is invaluable in shaping future product iterations and ensuring that we address any emerging safety concerns in a timely manner.



### Transparent Communication

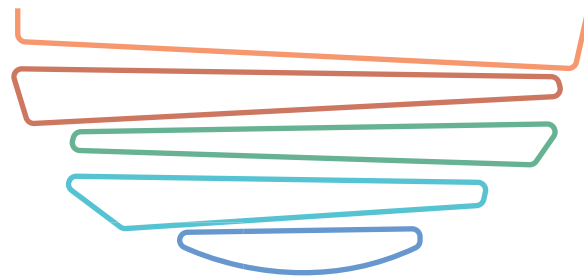
In the event of any safety concerns, VECV is committed to maintaining transparency with customers. We promptly inform them of any identified risks and provide clear instructions on necessary corrective actions. Our goal is to ensure that customers feel confident in the safety of their vehicles and are well-informed about the steps we are taking to maintain high standards.

At VECV, product quality and safety are more than just operational requirements—they are central to our mission of delivering reliable, safe, and innovative commercial vehicles. Our focus on safety begins at the design stage, continues through production, and extends well beyond the delivery of the vehicle. By prioritizing the safety and well-being of our customers, drivers, and the communities we serve, we reinforce VECV's position as a trusted leader in the commercial vehicle industry. As we look ahead, we remain dedicated to advancing safety technologies and maintaining the highest standards of product quality in our pursuit of excellence.





# COMMITMENT TO ENVIRONMENTAL RESPONSIBILITY





# CLIMATE AND GHG EMISSION

VECV takes a proactive approach to address climate change and reduce Greenhouse Gas (GHG) emissions, positioning sustainability at the core of our operations. One of our flagship initiatives in this regard is the deployment of EURO VI technology, which allows us to produce vehicles with exceptional fuel efficiency and low emissions. Our focus on climate action aligns

seamlessly with our broader goal of minimizing energy consumption and reducing operational costs while continuing to deliver value to customers. The EURO VI technology aligns with stringent global environmental standards and offers enhanced reliability and engine performance, contributing to a reduction in the carbon footprint of our fleet.

## GHG EMISSIONS AT VECV

We regularly monitor our Scope 1 and Scope 2 GHG emissions to ensure compliance with environmental standards and to manage emissions efficiently. In FY 2023-24, we recorded total GHG emissions of 97,286.52 tCO<sub>2</sub>e, with Scope 1 emissions accounting for 24% of the total GHG emissions. These emissions primarily arise from stationary combustion processes that utilize fuels such as High-Speed Diesel (HSD), Liquefied Petroleum Gas (LPG), Piped Natural Gas (PNG), Petrol, Compressed Natural Gas (CNG), and Liquefied Natural Gas (LNG). Meanwhile, Scope 2 emissions, which are associated with electricity consumption from the grid, constituted 76% of our total GHG emissions. We have undertaken comprehensive data collection and calculations to quantify our GHG emissions in CO<sub>2</sub>-equivalents, in accordance with the Greenhouse Gas (GHG) Protocol.

During the reporting period, our Scope 1 emission per plant has reduced by 13% and Scope 2 emission per plant has reduced by 21%. In our commitment to sustainability, VECV is actively working to reduce GHG emissions through continuous innovation in product manufacturing and an increased reliance on renewable energy sources.

We have installed 1.2 MW rooftop solar plant at EEC Dewas and 6 MW rooftop plant is under installation.

Further, we have planned to achieve 70% renewable energy by FY 2027 in various VECV facilities.

## GHG EMISSIONS INTENSITY AT VECV

During the reporting period, VECV achieved a GHG emission intensity of 0.44 tCO<sub>2</sub> per INR million of revenue from operations. GHG intensity signifies the amount of GHG emissions produced per unit of economic output. This metric serves as a key performance indicator for evaluating the environmental efficiency of a business or industry.

By focusing on enhancing operational efficiency and implementing innovative technologies, we continue to reduce our carbon footprint relative to our financial performance. This achievement highlights our dedication to environmental responsibility and our ability to balance economic growth with sustainable practices.

## INTEGRATION OF RENEWABLE POWER

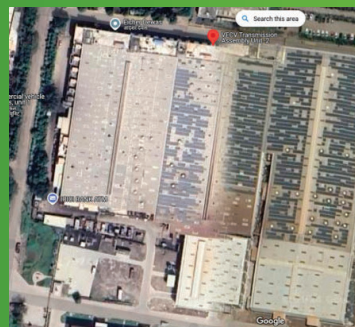
In our effort to source renewable energy, VECV has integrated solar and wind power across its operations. Currently, 37% of the power at our Pithampur Truck Plant is sourced from renewable energy, achieved through a 12 MW Power Purchase Agreement (PPA) with solar and mini hydel plants, alongside a 1 MW rooftop solar installation. Furthermore, 17% of the energy at Dewas plant is sourced from solar rooftop plant of 1.2 MW capacity. Overall, 19% of the total energy used across VECV facilities is sourced from renewable sources.

Looking ahead, VECV is focused on further expanding its renewable energy capacity. By FY 2025, we aim to install an additional 6 MW of rooftop solar plants, increasing our renewable power usage to 46% at the Truck Plant and overall, 35% across the entire VECV facilities. By FY 2027, our goal is to achieve 70% renewable energy across all the VECV facilities by enhancing solar plant capacities and implementing wind power projects.

VECV's renewable power journey reflects our efforts towards environmental sustainability and carbon emission reduction. Through strategic investments in renewable energy, we aim to enhance operational efficiency and contribute to a cleaner, greener future.



Solar Rooftop at Dewas plant



# ENERGY MANAGEMENT

VECV is committed to responsible energy consumption across all its manufacturing plants by implementing comprehensive energy management practices throughout its operations. Through rigorous monitoring and tracking systems, we ensure the efficient utilization of energy resources, allowing us to identify areas for improvement and optimize our energy consumption. Our energy management system is certified under ISO 50001, which establishes a

framework for sustainable energy practices and compliance with industry standards.

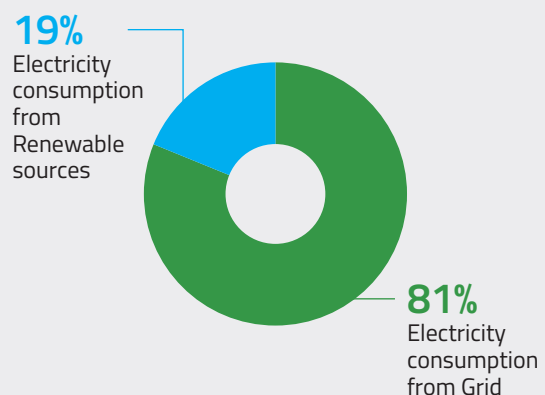
By investing in energy-efficient machinery and designing products that prioritize high performance while minimizing energy consumption, we actively contribute to reducing our environmental footprint. These initiatives enhance our operational efficiency and align with our broader sustainability goals.

## ENERGY CONSUMPTION AT VECV

During FY 2023-24, VECV's energy mix comprised a significant share of renewable and non-renewable sources to power our operations efficiently. During FY 2023-24, our non-renewable fuel consumption totaled 3,66,276.66 GJ, which primarily included High-Speed Diesel (HSD), Liquefied Petroleum Gas (LPG), Piped Natural Gas (PNG), Petrol, Compressed Natural Gas (CNG), and Liquefied Natural Gas (LNG). These fuels are critical to supporting our production processes and logistical activities. Additionally, we sourced 3,71,168.99 GJ of electricity from the grid. While non-renewable fuels remain essential, we continue to expand our reliance on renewable energy, consuming 82,484.10 GJ energy from solar and hydro plants. At our VBI Bangalore facility, 78% of our energy consumption comes from renewable sources, while at the ETB Pithampur facility, renewable sources account for 38% of our energy usage. We aim to maintain a diverse energy portfolio by focusing on the adoption of energy-saving technologies, optimizing fuel consumption, and continuously seeking ways to reduce our reliance on fossil fuels.

To continuously improve energy efficiency, we adopt the principles of Refuse; Re-think; Reduce; Re-use; Re-pair; Re-purpose; Recycle; Recover (8R's) across our operations, ensuring that both conventional and renewable energy are utilized to their maximum potential. This strategy is essential

**Energy Mix at VECV**



By 2025, we aim to increase our overall renewable energy share to 39%, progressing further to approximately 70% by 2026.

in ensuring that both conventional and renewable energy resources are utilized optimally, preventing waste and maximizing both material and financial resources. Our facilities are equipped with various mechanisms to facilitate energy recycling and monitor consumption efficiently. Through these initiatives, VECV strives to enhance energy performance while reducing our environmental footprint.



## ENERGY INTENSITY

In FY 2023-24, our energy intensity was 3.74 GJ per INR million of revenue from operations. This metric reflects the company's commitment to optimizing energy consumption while maintaining operational efficiency. Energy intensity measures the amount of energy used to generate each unit of revenue, highlighting the effectiveness of energy management strategies.

## ENERGY CONSERVATION MEASURES AT VECV

At VECV, we have implemented a range of energy conservation measures and technologies to minimize energy consumption while ensuring optimal performance across all operations.

Aiming to get Green Co rating for all our plants by FY 2027

### INSTALLATION OF ENERGY EFFICIENT LED LIGHTS

To reduce energy consumption, VECV replaced conventional lighting with energy-efficient LED lights across all its facilities, achieving 100% LED lighting. This phased initiative is a key step in lowering energy use and aligns with VECV's broader environmental goals.

#### PHASE 1

In the initial phase, we replaced over 900 office tube lights with LED lights across its plants. These energy-efficient lights consume significantly less power compared to traditional lighting, resulting in a substantial reduction in energy usage and emissions.

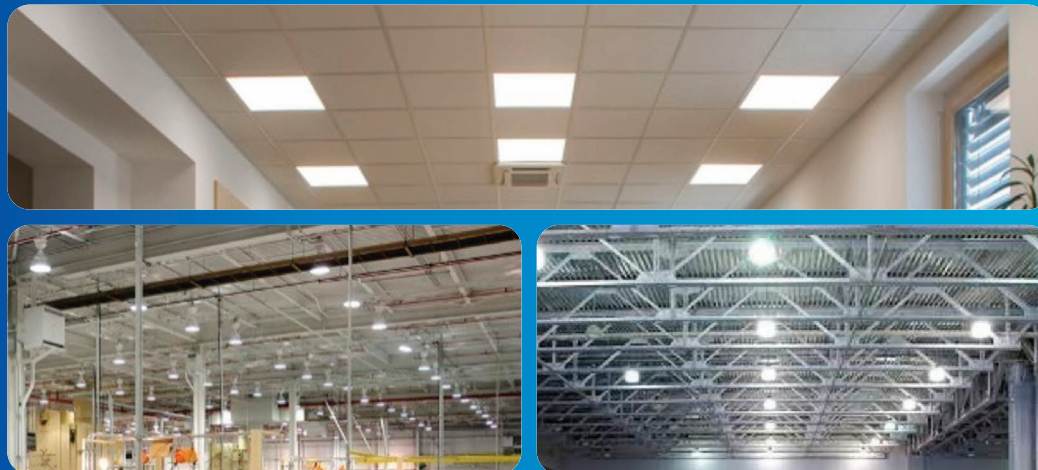
#### PHASE 2

Building on the success of Phase 1, we undertook a larger project in Phase 2, replacing over 4,000 conventional lights, each consuming 250W, with LED lights that consume only 85W energy. This massive shift further contributed to reducing energy demand across VECV's facilities.

- **For All New Projects:** Going forward, we have mandated that only LED lights will be considered for all new projects. This policy ensures that all future installations are energy-efficient from the outset, further enhancing the company's sustainability goals.

The replacement of conventional lights with LED technology has resulted in 60% reduction in VECV's overall energy consumption.

#### Installation of LED lights across all facilities



## COMPRESSOR WASTE HEAT RECOVERY

VECV has implemented an innovative waste heat recovery system to enhance energy efficiency and reduce operational costs. By capturing heat from the compressor screw element cooling system, the company has developed a sustainable solution that repurposes waste heat for heating component washing machines. This initiative has been implemented in following phases:

### PHASE 1

The initial phase involved the installation of a 12 kW heater equivalent heat recovery system in the axle line. This system effectively captured waste heat from the compressor.

### PHASE 2

In the second phase, we installed a 60 kW heater equivalent heat recovery system in the axle line. This upgrade further enhanced the energy efficiency of the component washing process by utilizing additional waste heat.

### PHASE 3

In the final phase, a 50 kW heater equivalent heat recovery system was installed in the machine shop.

The waste heat recovery initiative has resulted in 90% energy savings and an annual cost saving of ₹ 2.1 million, demonstrating significant financial and environmental benefits.

### Compressor waste heat recovery system





## INSTALLATION OF FLUE GAS EXHAUST HEAT RECOVERY SYSTEM TO REDUCE LNG CONSUMPTION IN PAINT SHOP

At our paint shop, we have implemented a flue gas exhaust heat recovery system that utilizes unique superconductive heat pipes to capture heat from flue gas exhaust and repurpose it for pre-heating ambient air. This innovative system has significantly reduced the consumption of liquefied natural gas (LNG) required to maintain oven temperatures.

VECV is the first company in the commercial vehicle industry to install an “air to air” heat pipe heat exchanger for air seal applications. This cutting-edge technology enhances energy efficiency and marks a significant advancement in the industry. The installation involved a low capital investment of just ₹ 4.8 million, yielding a remarkably short return on investment (ROI) of less than one year.

As a result of this initiative, we have achieved a 35% reduction in LNG consumption in the paint shop, translating to annual savings of ₹13 million. Overall, this initiative sets a benchmark for the industry, demonstrating the potential of innovative technologies in driving energy savings and promoting sustainability.

### Flue Gas Exhaust Heat Recovery system





## ENERGY MANAGEMENT THROUGH ONLINE DATA AND AI AT VECV

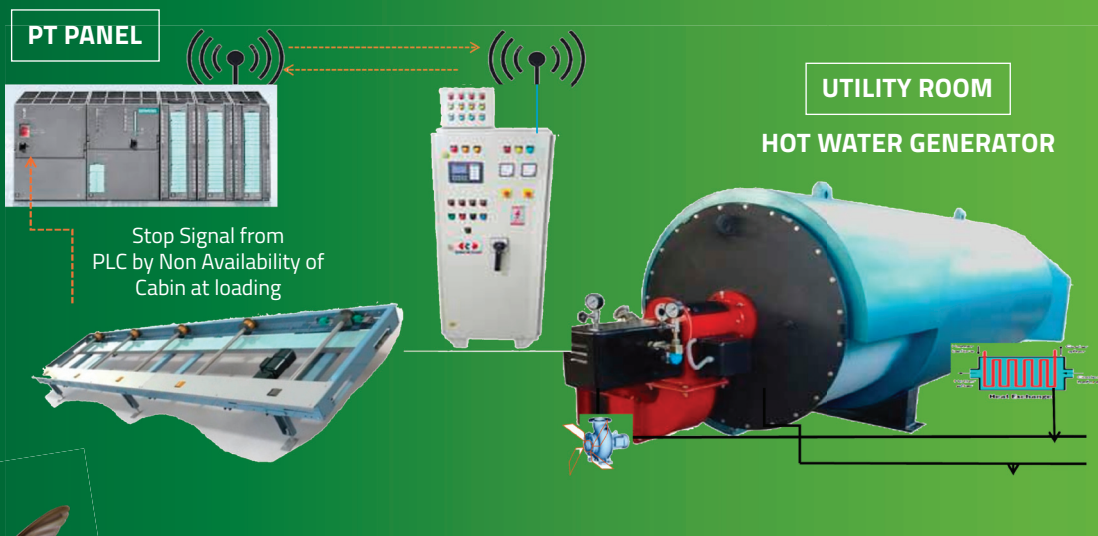
We have integrated advanced technology to enhance energy management across our operations, deploying a customized online data platform and automated reporting systems. This initiative leverages real-time monitoring and data analytics to optimize energy consumption and reduce costs.

The implementation involved several key components:

- **Customized Online Data Monitoring:** We developed a plant-level online data system that enables real-time monitoring of power consumption per vehicle. This system also includes automated reporting and dashboard monitoring, allowing for immediate alerts and insights into energy usage.
- **Interlocks and Automation:** The introduction of interlocks for ovens and air separation units (ASUs), as well as for engines and paint booths, has streamlined operations. These interlocks enhanced safety and contributed to energy savings, achieving a 4% reduction in power consumption.
- **Technology Upgradation:** We upgraded to a Smart Energy Management System (EMS) utilizing IoT technology. This included the installation of Variable Frequency Drives (VFDs) on systems exceeding 5 kW, resulting in 3% power saving, and the deployment of 166 energy meters to capture various power parameters.

Through this initiative, we have successfully created 32 cabin interlocks, which have played a significant role in improving operational efficiency. The overall energy management strategy resulted in an impressive total saving of ₹ 7.7 million. Additionally, the online monitoring and automation systems has led to a significant power saving, highlighting the effectiveness of integrating technology in energy management practices.

### Online Data and AI system for energy management



## INSTALLATION OF ENERGY EFFICIENT MIST COLLECTOR

At our VEPT Machine Shop, we have upgraded from a Vertical Rotating Drum Span Filter to a more efficient and high-performance Horizontal Non-Rotating Filter. This enhancement aims to reduce power consumption, improve safety, and streamline maintenance operations, effectively addressing the limitations of the previous system.

The upgraded mist collector features stationary filters with a suction blower separated from the filter chamber, resolving issues of unbalance and vibration that had previously led to system failures. This new design significantly enhances operational reliability by eliminating filter choking and associated maintenance challenges.

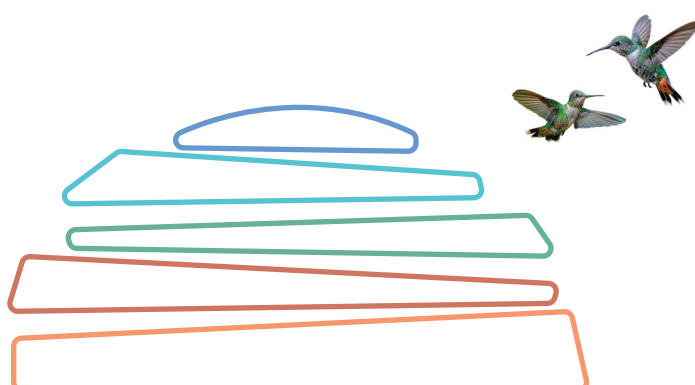
The upgraded system is projected to reduce power consumption by approximately 62,496 kWh annually, resulting in cost savings of ₹ 0.49 million (49,000 INR) each year. Additionally, the Mean Time to Repair (MTTR) has been reduced from 6 hours to just 2 hours, thereby improving overall operational efficiency and minimizing downtime.

Furthermore, the new system includes a filter choke indication feature that triggers an alarm for maintenance needs. This capability promotes proactive management, helping to mitigate the risk of system failures and ensuring continuous operation.

**Old Mist Collector**



**Upgraded Mist Collector**



# WATER MANAGEMENT

We recognize the importance of conserving water resource and have implemented comprehensive strategies to optimize water usage across all our facilities. Our approach includes the treatment and recycling of wastewater, minimizing consumption

wherever possible, and adopting innovative practices for rainwater harvesting. We conduct regular assessments of our water sources to ensure compliance with environmental standards and maintain water quality.

## WATER CONSUMPTION, WITHDRAWAL, AND DISCHARGE

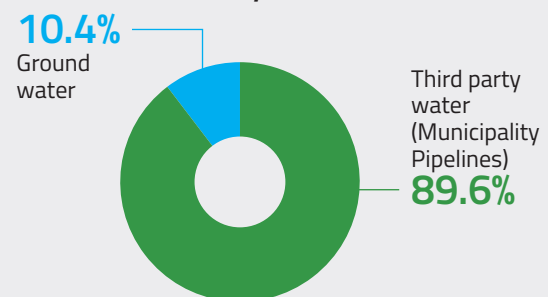
At VECV, we closely monitor and track our water consumption and withdrawal data through a robust water management system, ensuring regular assessments and real-time monitoring across all manufacturing sites. Our primary water sources include third-party municipal supplier and groundwater. During the reporting period, we sourced a total of 824 Mega Liter (ML) of water to meet our operational needs.

Through our continuous efforts to enhance water treatment processes, we have achieved Zero Liquid Discharge (ZLD) status across all our manufacturing plants. We have implemented Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) at our manufacturing site, which ensure that we treat and recycle all wastewater generated during production. The treated water is repurposed for production processes as well as domestic and gardening purposes. As a result, no wastewater is discharged into the environment, and our water consumption and withdrawal volumes remain equivalent.

We recognize that our manufacturing plants are situated in water-stressed regions, and we are dedicated to implementing effective water efficiency initiatives to minimize our impact on local water resources. Our advanced treatment processes ensure tertiary level treatment of wastewater, making it suitable for reuse across both operational and domestic applications.

In addition, we have established rainwater harvesting systems at our plants, which help replenish groundwater and conserve water resource in the communities where we operate.

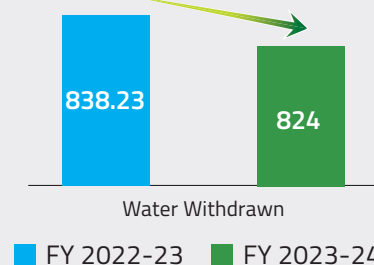
### Water Withdrawal by Source



Out of the eight operational plants, only two plants utilize groundwater for their operations. However, the extracted groundwater is replenished through extensive rainwater harvesting initiatives, ensuring sustainable water management practices.

Through Rainwater Harvesting & reuse of treated water for our process applications, we could reduce our overall water consumption, inspite of addition of new facilities and infrastructure

### Water Withdrawal in ML



VECV reduced water intensity from 0.0044 ML in FY 2022-23 to 0.0038 ML per INR million of revenue in FY 2023-24.

Through these initiatives, we strive to enhance water sustainability and contribute positively to the environment.







## WATER CONSERVATION INITIATIVES

At VECV, our water conservation efforts are driven by a comprehensive approach that includes water recycling, reuse, advanced treatment systems, and rainwater harvesting. We have implemented robust systems for recycling and reusing treated wastewater through the installation of an extended Sewage Treatment Plant (STP) and an Ultra-filtration and Reverse Osmosis (RO) plant for our Effluent Treatment Plant (ETP). These systems ensure that water used in our operations is treated and repurposed efficiently, reducing the need for fresh water and minimizing our environmental impact. Additionally, we have implemented rainwater harvesting projects throughout our premises to replenish groundwater levels, with


four more projects planned to further enhance water harvesting systems. These initiatives enable us to reduce our dependency on external water sources and promote long-term sustainability by optimizing water use and enhancing our resilience in water-stressed regions .




**Zero Liquid Discharge (ZLD)** mechanism implemented at all the manufacturing sites.




**IOT water meters** installed at various locations to enable online data monitoring, enhancing control over water usage.



**Fixed Flow Reduction Aerators** to minimize water consumption. Additionally, awareness sessions on water conservation were conducted for employees and workers to promote sustainable water practices.



**20 Waterless urinals** installed in washrooms as pilot project.



**STP upgraded** to re-treat 400 KL of water daily, which is utilized in the manufacturing process.

## RAINWATER HARVESTING

We have established comprehensive rainwater harvesting systems across all our plants, significantly enhancing water conservation efforts and reducing reliance on external sources. These systems have a combined capacity of 370 lakh liters annually. In addition, we established a dedicated rainwater collection pond at the Bhopal plant with a storage capacity of 520 lakh liters. This reservoir can sustain paint shop operations for 10 months and the entire plant for 3 months, improving operational efficiency and supporting water sustainability. By leveraging substantial water recharge capabilities and dedicated infrastructure at the Bhopal plant, VECV is advancing its commitment to sustainable water management in alignment with its broader environmental goals.

**Rainwater Harvesting System**



## WATER CONSERVATION THROUGH EFFECTIVE TREATMENT AND RECYCLING AT VECV

VECV has implemented a comprehensive water conservation strategy aimed at reducing freshwater consumption through the effective treatment and recycling of water for process applications. To achieve this, we have upgraded the existing Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs) to enhance water treatment capacity and improve the quality of treated water for reuse in various industrial processes.

During the reporting year, we reused 30% of the treated water for plantation purposes across all VECV plants. This initiative helped reduce the reliance on fresh water while maintaining green spaces at the facilities. By FY 2025, we aim to recycle 52% of treated water, supported by the upgrade of the STP Water Treatment Plant for broader process applications. Furthermore, VECV is on track to achieve a 60% water reuse rate by completing ETP upgrades at the Pithampur plant and installing a new ETP at the Bhopal facility.

VECV's proactive approach to water management has resulted in a significant reduction in freshwater consumption across VECV's operations by 40%. The reduction in freshwater consumption has resulted in an annual saving of ₹ 6.1 million. By FY 2026, with continued infrastructure improvements, the company will further enhance water recycling efficiency, significantly reducing its environmental footprint.

### Water Treatment plant at VECV



# WASTE MANAGEMENT

Over the years, VECV has grown significantly due to a combination of product innovation and rising consumer demand. However, this expansion has brought with it an increased generation of various waste streams across the product lifecycle, from manufacturing to the final use of our vehicles. Acknowledging the environmental

implications of these operations, VECV has made it a priority to minimize the generation and harmful impacts of waste. Through a series of waste management initiatives, VECV is actively working to reduce, reuse, and recycle materials, ensuring sustainable practices across its operations.

## CLASSIFICATION OF WASTE: HAZARDOUS AND NON-HAZARDOUS

The waste generated by VECV can be broadly categorized into hazardous and non-hazardous waste. Hazardous waste includes items contaminated with oils and paints, paint sludge, and other materials that pose a potential environmental risk if not managed properly. Non-hazardous waste includes biodegradable materials, recyclables, and other waste streams that are less harmful but still require proper handling.

To ensure safe and compliant disposal, VECV follows stringent regulatory frameworks. Hazardous waste is sent for co-processing in the cement industry, while the residue is recycled or sent to State Pollution Control Board-authorized treatment and disposal stations. E-waste and biomedical waste are managed through authorized vendors, and organic waste, including wet waste from canteens and sludge from sewage treatment plants (STPs), is composted for use in landscaping and gardening at VECV premises.





SOURCES OF WASTE

The majority of waste generated by VECV arises from the following key processes:



Painting

Use of paints and solvents contributes to hazardous waste streams, including paint sludge.



Machining and Assembly

The use of oils, greases, and other lubricants during vehicle and component assembly generates hazardous wastes that need careful handling.



Washing and Fuelling

Water pollution and contamination arise from washing and fuelling operations, with effluents requiring treatment.



Engine Testing and Reworks

Emissions, oil leaks, and spills during testing and rework procedures further contribute to the generation of hazardous waste.

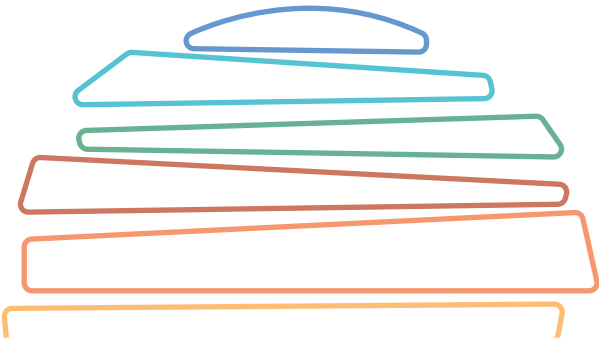
In addition, non-hazardous waste like cardboard, metals, plastics, and organic waste is generated from packaging, canteen operations, and routine maintenance activities.



THIRD-PARTY WASTE MANAGEMENT AND COMPLIANCE

For waste streams that cannot be managed internally, VECV works with authorized third-party agencies that comply with legal and contractual obligations. These agencies are responsible for the safe disposal of hazardous waste, ensuring compliance with guidelines issued by the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs).

VECV evaluates the processes used by third-party vendors to ensure that the waste is handled responsibly. This includes regular audits of waste disposal partners and adherence to the necessary certifications and regulations. The company also ensures that all waste is correctly documented and reported to the relevant authorities.



## DATA COLLECTION AND MONITORING

VECV places a strong emphasis on monitoring and documenting all aspects of its waste management activities. Each facility follows strict protocols for the collection, segregation, and disposal of waste, with detailed records maintained to track waste quantities, types, and disposal methods.

For hazardous waste, the company ensures compliance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, which mandate proper

documentation and disposal through authorized channels. Non-hazardous waste, including recyclables, is similarly tracked to ensure it is being handled and processed in an environmentally friendly manner.

The company regularly reviews its waste management processes to identify areas for improvement, with the goal of minimizing waste generation and optimizing reuse and recycling efforts.

## EMPLOYEE ENGAGEMENT AND TRAINING

Employee participation is critical to VECV's waste management success. Over 250 employees have been trained on sustainability practices, with a focus on reducing waste generation and improving segregation at the source. This training ensures that employees across all levels understand the importance of sustainable waste management and are equipped with the tools to contribute to the company's efforts.

Regular workshops and training sessions are held to educate employees on new waste reduction techniques and to keep them informed of the latest environmental regulations. VECV believes that employee awareness is a key driver of its waste management initiatives, fostering a culture of sustainability throughout the organization.



WASTE MANAGEMENT PRACTICES AT VECV'S FACILITIES

VECV's waste management efforts are implemented across various facilities, including its manufacturing plants in Pithampur, Bhopal, Baggad, Bangalore, and Dewas. Each facility adheres to localized regulations while implementing standardized waste management practices across the board.



VECV is currently 93% Zero Waste to Landfill and aims to achieve 100% by FY 2024-25.



ETB Pithampur

Focuses on minimizing hazardous waste by ensuring that paints, oils, and fuels used during manufacturing processes are efficiently managed. Any spills or emissions are addressed immediately, with the waste routed to authorized recyclers or co-processing facilities.

ETB Bhopal

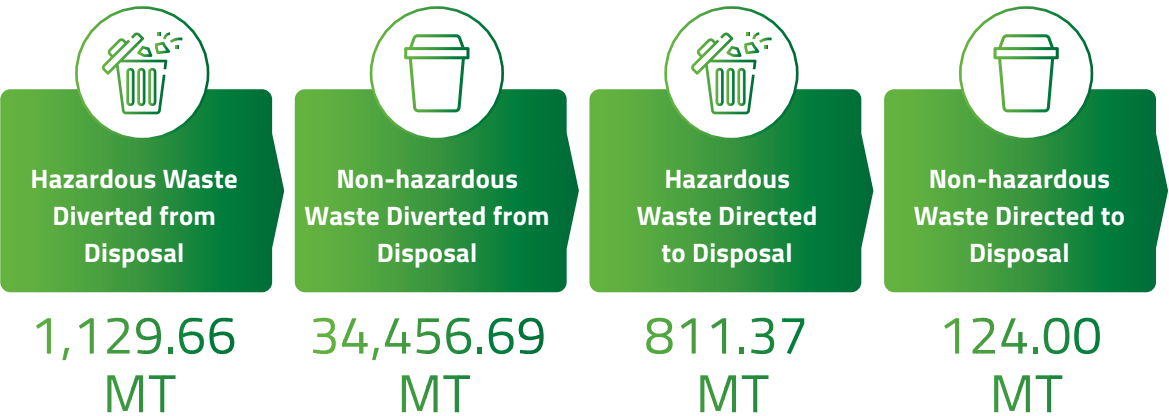
Implements waste segregation practices, ensuring that hazardous and non-hazardous waste is properly sorted and treated. The plant sends oil-contaminated waste for co-processing in the cement industry, significantly reducing its landfill footprint.

VEPT Pithampur

Complies with the guidelines set by the Madhya Pradesh Pollution Control Board (MPPCB) by routing waste through certified agencies. The focus here is on reducing water and land pollution through better handling of spills, releases, and emissions.

VBI Bangalore and EEC Dewas

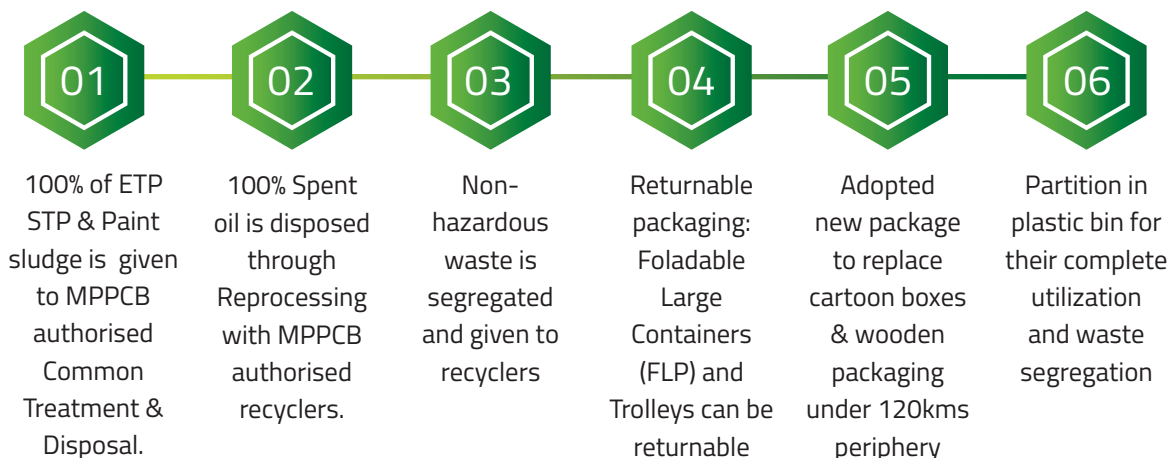
These units emphasize recycling and reuse practices to handle both hazardous and non-hazardous waste streams. For instance, the plants have reduced the use of wooden pallets by switching to metallic alternatives and have introduced initiatives to eliminate single-use plastics and minimize corrugated box waste.







### Waste management practices adopted at our plants



### ELIMINATION OF PLASTIC WASTE BY INSTALLING OIL BULLET TANK

At the VEPT plant, we have established an Oil Bullet Tank system to address the significant plastic waste generated from transporting engine oil. Previously, oil was delivered in 200-liter plastic barrels, with an average consumption of 1,000 liters per day necessitating the delivery of 15 to 20 barrels every other day. This traditional method contributed to substantial plastic waste and posed handling and leakage challenges.

By transitioning to a 25,000-liter capacity Oil Bullet Tank, the plant now facilitates bulk delivery of engine oil, effectively reducing reliance on plastic barrels. This initiative has eliminated the consumption of approximately 1,800 plastic barrels annually, significantly mitigating the environmental impact associated with plastic waste.

Moreover, the bulk delivery system has resulted in cost savings due to a lower price per liter of oil compared to the barrel delivery system. VECV anticipates annual savings of around ₹ 2.52 million, derived from a consumption of 180,000 liters annually. Additionally, the new system enhances operational efficiency by reducing the risks of oil damage or loss due to leakage and handling issues during transportation.

**Oil Bullet Tank at VEPT**



## FUTURE INITIATIVES

Looking ahead, VECV is committed to further enhancing its waste management practices through the adoption of new technologies and innovative solutions. The company is exploring advanced recycling techniques, such as chemical recycling, which can process waste that would otherwise end up in landfills.

Additionally, VECV is working towards achieving zero waste to landfill across its facilities, a goal that will require further investment in infrastructure, employee training, and partnerships with waste management experts.

VECV's comprehensive waste management strategy reflects its dedication to minimizing the environmental impact of its operations. By embracing circularity, engaging employees, and working with authorized third-party agencies, VECV is well-positioned to lead the way in sustainable waste management practices within the automotive industry. With a continued focus on innovation and employee education, the company will continue to evolve its waste management practices, ensuring a more sustainable future for all stakeholders.

# RESOURCE OPTIMISATION AND OPERATIONAL ECO-EFFICIENCY

As an environmentally responsible company, VECV is committed to enhancing its environmental performance through effective material management throughout the entire product lifecycle. We actively integrate recycled materials and optimize resource efficiency in our manufacturing processes, significantly

reducing our reliance on virgin resources. This approach allows us to optimize energy consumption while minimizing landfill waste. By embracing circularity in our operations, we pave the way for a more sustainable future while consistently delivering high-quality products to our customers.

## CIRCULARITY IN WASTE MANAGEMENT

One of the key pillars of VECV's waste management strategy is the principle of circularity. By implementing circular economy practices, the company seeks to minimize waste generation at the source while creating opportunities for reusing materials within its value chain.



**Key initiatives include:**



**Recycling and Reuse**

The company has taken significant steps towards recycling waste generated during production processes. Hazardous waste such as oil-soaked cotton and sludge from engine testing is sent to co-processing facilities where it is used as a substitute for traditional fuels in cement production.



**Reduction of Single-Use Plastics**

VECV has taken proactive steps to eliminate single-use plastic from its operations, focusing instead on materials that can be reused or recycled. This initiative helps reduce the amount of plastic waste generated across the supply chain.



**Waste Optimization**

The company continuously seeks ways to optimize waste streams by replacing traditional materials with more sustainable alternatives. For example, wooden pallets have been replaced by metallic ones, and cardboard packaging is reduced in favor of reusable crates.

During the reporting period, VECV has reduced consumption of non-sustainable packaging materials, achieving a decrease of 468 tons, which surpassed our original goal of 400 tons. Cumulatively, this brings our total reduction to 986 tons against a target of 900 tons. This progress was achieved by shifting to more sustainable packaging alternatives, including wooden crates, corrugated cardboard, and other biodegradable materials, reflecting our ongoing dedication to minimizing environmental impact and promoting eco-friendly practices.

**TRANSITION TO RETURNABLE PACKAGING**

We transitioned from using corrugated cardboard boxes and wooden pallets to returnable Flexible Logistics Concept (FLC) packaging for head lamps at our ETB Pithampur plant. This shift eliminated the scrap generated by traditional packaging methods, reducing approximately 270 tons of cardboard and wooden scrap annually. The returnable FLC packaging also facilitated easier handling and storage of parts, improving the overall efficiency of operations.

Additionally, the new packaging reduced the risk of parts damage during transportation, ensuring that products arrive in optimal condition. This initiative enhanced logistical efficiency and contributed significantly to reducing our environmental footprint.

**Returnable packaging**





# ENVIRONMENTAL SUSTAINABILITY AT DEALERSHIP

At VECV, our commitment to environmental sustainability extends beyond manufacturing to our after-market dealerships. We have implemented various initiatives aimed at minimizing our environmental footprint while promoting

responsible resource management. These efforts encompass waste segregation, effective waste disposal, and water conservation practices, all designed to enhance operational efficiency and support a cleaner, healthier environment.

## Energy Efficiency Initiatives:

### Solar Energy Installation

Dealerships in Kolhapur, Agra, Ranchi, Coimbatore, Madurai, and Ahmedabad have successfully implemented solar energy systems, resulting in a 10-12% reduction in electricity costs. Some dealers have also generated additional revenue through net metering, feeding excess energy back into the grid. Additionally, solar panel of capacity 112 kW has been installed over 751 sq. meters at all outlets, reducing power consumption and providing favourable income tax benefits due to depreciation on solar assets.



### Air Conditioning Setpoint Standardization

Air conditioners set to 24°C across customer lounges and workspaces to improve energy efficiency, reduce carbon emissions, and promoting a healthy indoor environment.



### Compressed Air Pressure Standardization

Regular audits and air leak checks conducted, along with relocating air lines above ground. This reduces compressor operation hours, improve energy efficiency, and extend equipment lifespan.



### ABC Category ON/OFF Standardization

Power management for computer systems and lights during non-production hours, including switching to LED lights. This saves power consumption and decreases GHG emissions.



### Water Conservation Initiatives:

#### Installation of Effluent Treatment Plant (ETP)

Established Effluent Treatment Plant to treat wastewater by effectively removing contaminants.



#### Rainwater Harvesting

Implemented Rainwater harvesting systems at the dealerships. This has led to significant savings in water usage costs, with one dealership in Maharashtra saving approximately ~1 lakh annually. The system has also contributed to solving waterlogging issues, improving operational safety, and enabling municipal tax incentives, which have reduced taxes by up to 5%.



#### Flow Reduction Aerators

Installed water flow limit at all dining hall taps to minimize water wastage and raise awareness about conservation



## Waste Management Initiatives:

### Secondary Container (Oil Spillage Control)

Installed secondary containers for oil barrels to prevent spills, ensuring safe handling and a non-slippery environment.



### Waste Segregation

Established a comprehensive waste segregation system across locations, categorizing waste into metal, plastic, e-waste, glass, filters, and carton boxes. This process facilitates easier recycling and disposal, promoting a safer environment and health standards.



### Waste Storage

Improved waste storage practices in all outlets by segregating stored materials to minimize environmental impacts and health risks.



### Waste Disposal

Partnered with authorized vendors for proper disposal of oil, coolant, filters, batteries, and hazardous waste. This collaboration ensures environmental responsibility and safety in handling scrap materials while meeting industry standards.



### Reuse of Old Scrap

Promoted the recovery and reuse of old scrap materials in service operations, contributing to resource efficiency.



### Food Wastage Awareness

Launched an awareness initiative in dining areas to educate staff about food wastage and its environmental implications. This effort aims to inspire actions that reduce food waste and promote sustainability.



### Oil Filter/Fuel Filter Segregation

Instituted regular draining of oil and fuel from filters every three days to ensure proper segregation and minimize pollution during recycling. This practice prevents oil spillage and enhances environmental safety during disposal.





# PEOPLE AND WORKPLACE EXCELLENCE





# DIVERSITY, EQUAL OPPORTUNITY AND INCLUSION

At VECV, we believe that diversity, equal opportunity, and inclusion are integral to building a progressive, innovative, and sustainable organization. These values help us create a

work environment that supports all employees regardless of gender, ethnicity, background, or experience, encouraging a culture where diverse perspectives thrive.

## OUR DE&I APPROACH

Diversity and inclusion are cornerstones of our talent management strategy, driven by the belief that a diverse workforce fuels creativity and drives innovation. We ensure that all employees are treated with fairness and respect, and we strictly follow a non-discriminatory approach across all levels of our organization. Our policies are designed to create an inclusive environment where employees feel valued and empowered to contribute to their full potential.



### Equal Opportunity Employment

VECV ensures that equal opportunity is provided at every stage of employment—from recruitment to promotion. Our employment practices do not discriminate on the basis of gender, age, ethnicity, religion, disability, sexual orientation, or any other protected characteristic.



### Diversity in Recruitment

We strive to attract talent from diverse backgrounds, recognizing that a mix of skills, perspectives, and experiences is essential to driving innovation and growth. Our recruitment processes are carefully designed to ensure unbiased hiring, focusing solely on merit and skills.



### Inclusive Policies

To foster a more inclusive workforce, we regularly review and update our policies to reflect global best practices, creating an environment where individuals from diverse backgrounds can collaborate and grow together.



## EMPLOYEE INDUCTION AND INTEGRATION

The journey toward inclusion begins from the moment new employees join the organization. At VECV, we have a well-structured induction program that allows new team members to integrate smoothly into our work environment.



### Induction Programs

New employees undergo comprehensive induction sessions that introduce them to our core values, work culture, and operational protocols. This program offers a structured yet flexible approach to help individuals get acclimated to their roles while encouraging them to share ideas and contribute actively from the outset.



### Mentoring and Support

The induction program is supplemented by strong mentoring and peer-support initiatives, ensuring that new joiners are paired with experienced employees who can guide them through their initial days. This mentorship fosters an environment of mutual respect, collaboration, and support, ensuring everyone feels valued and heard.

## PROMOTING A DIVERSE WORKPLACE CULTURE

Our organizational culture is underpinned by respect, equality, and inclusion. At VECV, we recognize the value of diverse perspectives and encourage an open dialogue that allows everyone to express their thoughts and ideas freely.



### Inclusive Communication

We promote transparent and inclusive communication channels across all departments. Employees have platforms to share their feedback, raise concerns, or offer suggestions on DE&I issues.



### Zero Discrimination Tolerance

Our company maintains a zero-tolerance approach toward any form of discrimination, harassment, or exclusion. Our policies ensure that any discrimination-related grievances are handled with urgency and in a fair manner by our human resources team.



### Training and Awareness

We organize regular diversity and inclusion training programs for all employees to foster awareness and sensitivity regarding DE&I issues. These programs aim to highlight the importance of inclusion, equity, and respect in the workplace, promoting empathy and collaboration among colleagues.



## WOMEN'S DAY CELEBRATION – EMPOWERING FAMILIES OF OUR WORKFORCE

On April 17, 2023, VECV hosted a Women's Day celebration to honor the contributions of women in the lives of our employees. The event was attended by 60 wives of our workers, offering them an opportunity to engage with the company's values and initiatives, while fostering a sense of community and inclusion. The celebration aimed to strengthen the bond between the company and the families of our employees, recognizing the critical role they play in supporting their loved ones at work. Through this event, VECV reinforced its commitment to gender inclusion and community-building, ensuring that the workplace extends beyond the factory walls to positively impact the lives of the entire workforce and their families.



## GENDER DIVERSITY AND EMPOWERMENT

One of the key aspects of our DE&I strategy is promoting gender diversity. We believe that gender balance in the workforce leads to enhanced productivity, creativity, and organizational resilience.



### Women in Leadership

VECV actively promotes gender diversity at all levels, including leadership roles. We aim to increase female representation in managerial and decision-making positions, encouraging women to take on leadership roles across various functions.



### Supportive Work Environment

VECV offers flexible work arrangements, parental leave policies, and on-site childcare facilities to support employees, especially working mothers. These initiatives enable employees to balance their professional and personal responsibilities without compromising career growth.



## MONITORING AND MEASURING DE&I PROGRESS

The journey toward inclusion begins from the moment new employees join the organization. At VECV, we have a well-structured induction program that allows new team members to integrate smoothly into our work environment.



### Employee Feedback and Surveys

VECV conducts annual employee satisfaction surveys that include sections on DE&I. This feedback allows us to understand employees' perceptions and experiences regarding workplace inclusivity and make data-driven improvements.



### Grievance Redressal Mechanism

VECV has an effective grievance redressal system in place to address complaints related to discrimination or inequity. Employees can report concerns anonymously, and the issues are resolved impartially, ensuring fairness in decision-making.

## PERFORMANCE HIGHLIGHTS

Our continued efforts in fostering an inclusive environment have yielded positive outcomes across various dimensions of diversity and inclusion:



### Zero Discrimination Complaints

We are pleased to report that similar to the previous year, this year also saw zero complaints related to discrimination, indicating that our policies and practices are effective in creating a respectful and inclusive work environment.



### Higher Retention Rates

Our inclusive policies have translated into higher employee retention rates, as employees feel valued and respected in the organization. We believe that our DE&I strategy plays a crucial role in improving employee engagement and loyalty.

## LOOKING AHEAD: FUTURE GOALS FOR DE&I

While we have made significant strides in promoting diversity, equity, and inclusion, we recognize that there is always more to be done. Our future DE&I objectives include:



### Enhancing Female Representation

We plan to introduce new programs aimed at increasing female participation in traditionally male-dominated roles, such as manufacturing and engineering, by offering targeted skill development and mentorship opportunities.



### Global DE&I Practices

As VECV expands its global footprint, we intend to adopt and implement DE&I best practices that align with international standards. We will continue to adapt our policies to reflect regional needs while adhering to global benchmarks.



## EMPLOYEE ENGAGEMENT AND WELLBEING

At VECV, we recognize that our employees are our most valuable asset. Their well-being, professional growth, and engagement are central to creating a productive and innovative

workplace. We have cultivated a culture of trust, open communication, and mutual respect, allowing our team members to thrive both personally and professionally.

### FOSTERING A CULTURE OF OPEN COMMUNICATION

Employee engagement is an essential pillar of our organizational strategy. At VECV, we actively promote an open-door culture, encouraging employees at all levels, including workers, to share their ideas, concerns, and feedback freely. Our transparent communication channels create a sense of ownership and belonging, helping employees stay connected to the organization's vision and goals.



#### Employee Feedback Mechanisms

We have established structured feedback systems, such as regular employee surveys and open forums, where employees and workers can voice their opinions, contribute ideas, and discuss challenges. This ensures that management remains attuned to employee needs and concerns, fostering a sense of shared purpose.



#### Recognition and Rewards

Acknowledging and appreciating employees' hard work is central to maintaining high levels of engagement. VECV has implemented reward and recognition programs that celebrate achievements, whether big or small. This includes both formal awards, such as "Employee of the Month," and informal recognition through peer-to-peer acknowledgment platforms.



## EMPLOYEE WELLBEING PROGRAMS HOLISTIC WELL-BEING: MENTAL, PHYSICAL, AND FINANCIAL SUPPORT

At VECV, we understand that employee well-being encompasses more than just physical health. It includes mental and emotional wellbeing. Our comprehensive range of wellness initiatives is designed to ensure that our employees feel supported in all aspects of their lives.



### Healthcare Benefits and Support

All permanent employees receive access to extensive healthcare coverage, including health insurance. We also offer health check-up programs and provide easy access to healthcare professionals for preventive consultations.



### Well-being Awareness Sessions

We conduct regular wellness sessions focusing on mental health, stress management, and work-life balance. These sessions aim to provide employees with practical tools to manage the demands of both their professional and personal lives, creating a supportive environment where they can flourish.



### Parental Leave Policies

We offer generous parental leave policies, allowing both mothers and fathers to take time off to care for their children without worrying about job security. This helps our employees transition smoothly into parenthood while remaining connected to their careers.

## HEALTH AWARENESS PROGRAM – PRIORITIZING EMPLOYEE HEALTH AND WELLBEING

To promote health and safety among our workforce, VECV organized two Health Awareness Programs on April 3 and April 12, 2023, with a total of 45 participants. The sessions focused on educating employees about health welfare and the importance of safety precautions, aiming to create a culture of well-being within the organization. The program not only enhanced awareness of physical health and workplace safety but also reinforced VECV's ongoing efforts to ensure the holistic welfare of its employees. Such initiatives are vital for creating a safer, healthier working environment, which is a key priority for the company.



## PROFESSIONAL DEVELOPMENT AND TALENT MANAGEMENT NURTURING TALENT FOR FUTURE GROWTH

At VECV, we recognize that continuous learning and professional development are key to long-term success. To build a skilled and dynamic workforce, we provide our employees with numerous opportunities for growth, skill enhancement, and career progression.



### **Comprehensive Onboarding Programs**

Integrating new employees into the organization quickly and effectively is crucial for their long-term success. We offer comprehensive onboarding programs that include mentorship, training, and orientation sessions to help new team members assimilate into the organization and become productive quickly.



### **Cross-functional Development**

In a rapidly evolving industry like ours, we recognize the importance of cross-functional collaboration and skills diversification. Our talent development programs encourage employees to expand their skill sets by working across different functions and departments. This helps in fostering innovation and building stronger teams.



### **Leadership Development**

For those seeking to advance in their careers, we offer a variety of leadership development programs. These initiatives are designed to prepare employees for future managerial and executive roles by honing their leadership capabilities, decision-making skills, and strategic thinking.



### **Young Talent Programs**

VECV also places strong emphasis on nurturing young talent. We offer internships, apprenticeships, and scholarships to young professionals, particularly in the fields of electrification, digitalization, and automation. These programs help us cultivate the next generation of leaders who will drive future success in our organization.



## LAUNCH OF EXECUTIVE M.TECH PROGRAM – FOSTERING TALENT DEVELOPMENT

In collaboration with IIT Indore, VECV launched an Executive M.Tech Program aimed at upskilling employees in advanced engineering and management concepts. This program reflects VECV's commitment to investing in employee education and career development. By partnering with a prestigious institution like IIT, the company is providing its employees with opportunities to enhance their knowledge, gain new skills, and advance their careers within the organization. This initiative not only helps employees grow but also contributes to the overall growth and innovation within VECV.



## FUTURE OF WORK: ADAPTING TO CHANGING TRENDS PREPARING FOR STRUCTURAL CHANGES IN THE WORKPLACE

The global workforce is undergoing significant changes, driven by megatrends such as globalization, digitalization, and the transition to electric mobility. At VECV, we are adapting to these changes by investing in the upskilling and reskilling of our employees to ensure they are prepared for the future.



### Digital Transformation

We recognize that digital skills are becoming increasingly essential across all functions. To address this, we offer targeted training programs on digital tools, technologies, and processes to ensure that our employees are equipped to thrive in a digital-first environment.



### Sustainability Skills Development

As a key player in the commercial vehicle industry, VECV is committed to playing an active role in the transition to a low-carbon economy. Our senior management and leadership undergo trainings, attend seminars and webinars on sustainable practices, electric mobility, and autonomous driving technologies to ensure that we remain at the forefront of innovation in the industry.



## NEEV PROGRAM – DEVELOPING WORKFORCE SKILLS FOR THE FUTURE

The NEEV program was inaugurated as an extensive training initiative designed to upskill employees in language proficiency, soft skills, and personality development. The 3-month program, consisting of 36 hours of training with a mix of classroom and virtual sessions, includes modules on email etiquette and communication skills, among others. Through this initiative, VECV aims to prepare its workforce for future challenges, ensuring they have the necessary skills to thrive in a dynamic business environment. Providing a free language app for continuous learning further reinforces VECV's dedication to employee development.



## ENSURING JOB STABILITY IN A CHANGING INDUSTRY

In the face of global challenges, including the COVID-19 pandemic, geopolitical tensions, and supply chain disruptions, we understand the importance of ensuring job security for our employees. VECV remains focused on maintaining a stable and secure work environment despite the volatility in the global economy.



### Transformational Leadership

To navigate these uncertain times, VECV has implemented a range of transformational initiatives aimed at securing jobs and safeguarding our long-term competitiveness. This includes a focus on operational excellence, process optimization, and lean management practices.



### Long-term Workforce Planning

We are working closely with employee representatives and industry bodies to ensure that our workforce is well-prepared for future challenges. This includes strategic workforce planning, training programs for emerging skills, and proactive communication with employees to keep them informed about organizational changes.

At VECV, employee engagement, well-being, and inclusion are key elements of our organizational culture. We are continuously evolving our practices to ensure that our employees and workers not only feel supported but also empowered to contribute meaningfully to the company's success. As we move forward, our focus remains on nurturing talent, promoting diversity, and fostering a sense of belonging, ensuring that all employees have the opportunity to grow and thrive. Through these efforts, we continue to build a strong, resilient, and inclusive workforce, ready to meet the challenges and opportunities of the future.



# HUMAN RIGHTS

At VECV, human rights form a fundamental pillar of our corporate philosophy and operations. As a responsible corporate entity, we recognize our duty to respect, protect, and uphold the human rights of all individuals directly or indirectly associated with our organization. Our policies and practices are aligned with internationally recognized human rights principles such as the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the International Labour Organization (ILO) standards.

**Governance and Accountability:** Human rights responsibilities are overseen by our senior leadership team, with clear reporting structures in place to ensure accountability.

VECV's non-discrimination policy is a cornerstone of our human rights approach. We uphold

principles of fairness, equality, and respect in all employment decisions, including hiring, promotion, compensation, and access to training. We do not tolerate any form of discrimination based on race, gender, age, nationality, religion, disability, or any other characteristic. Our commitment to equal opportunity extends to creating a work environment where everyone can thrive based on merit and performance.

As part of our anti-discrimination practices, we have established clear policies and grievance mechanisms for reporting and addressing any incidents of discrimination. To date, we have not received any formal complaints of discrimination, reflecting the effectiveness of our proactive measures.

## PROTECTING THE RIGHTS OF WORKERS

VECV is committed to upholding the rights of all workers, including those within our supply chain. We have implemented comprehensive labor rights policies to ensure fair and safe working conditions for all employees, in line with international labor standards.



### Freedom of Association

We respect the right of workers to form and join trade unions, and bargain collectively for fair conditions. We engage in open dialogue with workers' representatives. Apart from long-term negotiations every three years, we carry out interactions with the union representatives on a need-basis for any problems regarding day-to-day operations. Furthermore, the notice period and provisions for consultation and negotiation regarding any significant operational changes are specified in collective agreements.



### Fair Wages and Working Conditions

VECV provides fair compensation to all employees, with wages aligned to local regulations and industry benchmarks. We ensure safe and hygienic working conditions across all our facilities.



### Child and Forced Labor

We strictly prohibit the use of child labor, forced labor, and human trafficking in any part of our operations or supply chain. Our supplier code of conduct outlines these principles, and we regularly audit our suppliers to ensure compliance.

We believe in providing accessible and effective grievance mechanisms for reporting any human rights concerns or violations. We have established multiple channels through which employees,

suppliers, and external stakeholders can raise concerns confidentially and without fear of retaliation.



**Whistleblower Policy**

Our whistleblower policy ensures that all reports of human rights violations are treated seriously and investigated thoroughly. Reports can be made anonymously, and we provide full protection to whistleblowers.



**Investigation and Resolution**

All grievances are investigated by our human resources and legal teams, with appropriate actions taken to resolve issues promptly. We maintain a zero-tolerance approach to any form of human rights abuse.



**Training and Awareness**

We provide regular training and awareness programs to ensure that all employees understand their rights and responsibilities regarding human rights. This includes education on our grievance mechanisms and reporting processes.





# OCCUPATIONAL HEALTH AND SAFETY

At VECV, ensuring the health, safety, and well-being of employees and workers across all operations is a top priority. The company has established a robust Occupational Health and Safety (OHS) Management System that adheres to globally recognized standards, ensuring a safe and risk-free workplace. Our OHS management system covers all of our employees and workers. This system is integrated with our Environment, Health, and Safety (EHS) policy, and operates within the framework of the Integrated Management System (IMS), which consolidates ISO 45001, ISO 14001, OHSAS 18001, and

Quality Management System (QMS) standards. The integrated approach reduces the complexity of managing separate systems while ensuring a holistic view of risks, hazards, and performance metrics.

By leveraging IMS, VECV has created an environment that encourages constant evaluation and iterative improvements in health and safety practices. This integration fosters seamless communication between different departments, enhancing overall safety performance across all locations.

## CONTINUOUS MONITORING AND IMPROVEMENT

Occupational health and safety at VECV is not a one-time exercise but an ongoing commitment to continuous improvement. Regular audits, both internal and external, are conducted to assess compliance with OHS protocols and ISO standards. We actively conduct Layered Process Audits

(LPA) to measure the effectiveness of safety controls and to ensure that corrective actions are implemented promptly. This continuous review and improvement process ensures that our OHS management system evolves to address new risks and challenges.

## RISK ASSESSMENT AND HAZARD IDENTIFICATION

To minimize workplace risks, VECV employs a comprehensive Risk Assessment methodology based on ISO 45001:2017 standards. A proactive approach to identifying, assessing, and mitigating hazards is ingrained in our operations. Risk assessments are conducted regularly at all our facilities, encompassing our manufacturing units, engineering centers, and offices. The process involves evaluating both routine and non-routine tasks to identify potential hazards, followed by the implementation of risk mitigation measures such as hazard elimination, the installation of protective

barriers, and the usage of Personal Protective Equipment (PPE).

VECV emphasizes that employees have a key role in reporting unsafe conditions. Through a structured reporting process, workers are empowered to flag potential hazards or incidents, allowing for rapid response and corrective action. This approach to hazard identification promotes a culture of transparency and collective responsibility for safety.

## INCIDENT REPORTING AND INVESTIGATION

In the event of an incident, VECV follows a systematic approach to incident reporting and investigation. All incidents, near-misses, and unsafe practices are reported, investigated thoroughly, and documented. Root cause analysis is performed to identify underlying issues, followed by the implementation of corrective

and preventive actions (CAPA). Corrective actions may include process adjustments, equipment changes, or enhanced safety protocols. Additionally, learnings from incident investigations are disseminated across all facilities to prevent recurrence.

## WORKER PARTICIPATION IN HEALTH AND SAFETY

At VECV, we believe that safety is everyone's responsibility. To ensure active worker participation, the company has established mechanisms such as Safety Committees, which include representatives from both management and workers. These committees meet regularly to discuss safety-related concerns, review incidents, and suggest improvements in workplace safety.

Employees at all levels are encouraged to actively engage in the development and implementation of safety protocols. Safety observations and peer-to-peer assessments are routinely carried out, where employees monitor each other's adherence to safety guidelines and provide feedback. This participatory approach to safety builds a culture of mutual accountability and continuous vigilance.

## WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

Training is a crucial pillar of VECV's OHS strategy. All new hires undergo a mandatory Environment, Health, and Safety (EHS) induction program, which familiarizes them with the company's safety policies, procedures, and emergency protocols. This induction is followed by job-specific safety training, tailored to the particular hazards associated with the employee's role. Regular refresher courses ensure that employees remain updated on safety practices.

In addition to the formal training programs, VECV conducts toolbox talks—interactive discussions

held at the start of each shift—where workers are briefed on safety precautions for the tasks they will perform that day. Topics covered in these talks include proper use of PPE, emergency procedures, and first aid measures.

The company has also implemented a robust emergency response and preparedness plan across all plants. Employees are trained in evacuation protocols, first aid, and firefighting techniques to ensure they can respond quickly and effectively in case of an emergency.



## PROMOTING A CULTURE OF SAFETY AND WELL-BEING

Beyond regulatory compliance, VECV strives to create a safety culture where health and well-being are embedded into the daily activities of all employees. Safety is treated as a core value, reinforced through regular safety campaigns, awareness programs, and workshops. Special focus is placed on mental health and ergonomic well-being, ensuring that employees have access to resources that promote both physical and

mental well-being. Health screenings and wellness programs are provided at regular intervals to monitor and enhance the overall health of the workforce. These programs are designed to identify potential health risks early and provide interventions to prevent workplace-related illnesses

## RECOGNITION AND REWARDS FOR SAFETY PERFORMANCE

To further encourage a proactive safety culture, VECV recognizes and rewards employees and teams for exemplary safety performance. Safety awards are presented annually to departments

and individuals who demonstrate exceptional safety practices, promoting a sense of ownership and pride in maintaining a safe work environment.

## OCCUPATIONAL HEALTH SERVICES

VECV places a strong emphasis on ensuring that employees have access to occupational health services. Each plant is equipped with occupational health centers that are staffed by trained medical personnel, including doctors and paramedics, who are available on-site to respond to emergencies and conduct regular health checkups. In addition to providing immediate care for injuries, these health centers offer preventive health services, including vaccinations, screenings, and health education.

The company also has partnerships with external healthcare providers to offer comprehensive medical services, including specialized treatments for work-related illnesses or injuries. Additionally, our occupational health services focus on monitoring potential workplace exposures to hazards, such as chemicals, noise, or ergonomic risks, ensuring that employees are safeguarded against long-term health impacts.

## HEALTH AND SAFETY PERFORMANCE INDICATORS

VECV closely monitors its health and safety performance through a range of key performance indicators (KPIs). These indicators include metrics such as the Total Recordable Injury Rate (TRIR), Lost Time Injury Frequency Rate (LTIFR), and Near-Miss Reporting Rate. We regularly analyze these indicators to identify trends, areas of concern, and opportunities for improvement.

By setting benchmarks and comparing performance year-on-year, we aim to continuously enhance our safety performance. While VECV has consistently reduced its injury rates over the past few years, we remain focused on achieving further improvements.



## ZERO HARM GOAL

VECV's long-term vision is to achieve a Zero Harm workplace, where no employee or contractor is injured in the course of their work. While we recognize that this is an ambitious goal, we are dedicated to making incremental improvements that bring us closer to this objective.

## COMPLIANCE AND CERTIFICATIONS

VECV complies with all local, national, and international regulations related to occupational health and safety. Our manufacturing plants are certified to ISO 45001:2018, the global standard for occupational health and safety management systems, ensuring that we follow best practices in hazard control, incident prevention, and worker well-being.

In addition to ISO certifications, our plants undergo regular regulatory audits to ensure full compliance with legal requirements. We also actively engage with external auditors to validate our OHS management system, providing an additional layer of assurance that our processes meet the highest standards.

## FUTURE INITIATIVES

Looking ahead, VECV is focusing on further improving its occupational health and safety systems by leveraging technology and innovation. We are exploring predictive analytics to identify potential safety risks before they result in incidents, and automation to reduce human exposure to hazardous tasks.

By continuously evolving our approach to occupational health and safety, we aim to create a safer and healthier workplace for all, fostering long-term productivity and well-being across the entire organization.







# COMMUNITY ENGAGEMENT





At VECV, Corporate Social Responsibility (CSR) is embedded in the company's ethos of fostering positive social impact alongside business growth. We follow the path established by our parent companies, The Volvo Group and Eicher Motors, both of which have a long-standing history of creating meaningful impact. These values shape the direction we have chosen for the future at VECV. Through strategic partnerships and programs, VECV is committed to improving the quality of life in the communities where we operate, empowering marginalized groups, and contributing to sustainable development. Our CSR initiatives focus on key societal challenges, like road safety, health, education, and community development.

We place emphasis on enriching the lives of drivers and technicians, who form the backbone of our logistics industry operations. Our aim is to empower them and bridge the gap between the industry's skilled manpower requirements and the available talent. We believe that a healthy and happy workforce enhances efficiency and generates positive value. All these efforts align with our vision of being a responsible company, dedicated to creating long-term value and driving meaningful change.

During the reporting period, VECV, in collaboration with various organizations and NGOs, carried out a range of CSR initiatives aimed at enriching and empowering the lives of local communities. These activities were:





## 1. SASHAKT GRAM

The Sashakt Gram initiative focuses on the overall development of villages, particularly by improving school infrastructure, offering after-school educational support, and enhancing access to government social security schemes. The primary objectives of the project are improving school infrastructure in target areas, raising community awareness for active participation and ownership of interventions, promoting awareness about health and the importance of education, and developing livelihood opportunities for Self-Help Group (SHG) members.

The project operates in 14 villages across six Gram Panchayats in the districts of Indore, Dhar, and Dewas, covering a total of 2,616 households with a population of approximately 12,406. The program successfully linked community members to various government schemes, resulting in a financial benefit of INR 290 million to 2,857 beneficiaries across these 14 villages.

### Achievements of the Sashakt Gram Initiative:

- **Educational Infrastructure Transformation:** Infrastructure improvements in 8 villages now provide safe, accessible learning environments for children in schools and Anganwadis.
- **Cultivating Future Leaders:** Children's active participation in Bal Cabinet meetings has fostered leadership and community engagement, embedding long-term change at the grassroots level.
- **Child-Friendly Panchayats Recognition:** Four out of six Gram Panchayats have earned the prestigious Child-Friendly Panchayat status, ensuring a secure and nurturing environment for children's growth and welfare.
- **Financial Upliftment through Social Schemes:** By connecting 2,857 beneficiaries to government schemes, the initiative has unlocked INR 290 million in financial benefits, directly improving livelihoods across 14 communities.
- **Economic Empowerment of SHGs:** Six Self-Help Groups have successfully initiated livelihood activities, boosted incomes and fueled local economic growth.

This initiative is a testament to the power of sustainable community-driven development, laying the foundation for resilient, self-reliant villages.



## 2. VILLAGE UPLIFTMENT PROGRAM - SASHAKT GRAM (HEALTH)

The Sashakt Gram (Health) initiative, in collaboration with Sambhav Social Service Organization, addresses the critical healthcare needs of rural communities across 14 villages in the Dhar, Dewas, and Indore districts of Madhya Pradesh. This initiative aims to provide both preventive and curative healthcare services to underserved populations, bridging the gap in access to essential medical care while fostering a culture of health awareness. Operating under the broader Village Upliftment Program, the initiative prioritizes healthcare delivery through an integrated approach, combining direct medical services with community education on preventive healthcare.

At the heart of the program is a Mobile Medical Unit (MMU), staffed with a dedicated medical team comprising an MBBS doctor, pharmacist, nurse, and medical assistant. This team brings healthcare directly to the doorstep of rural residents, offering crucial services such as on-spot diagnostic tests for blood pressure, blood sugar, and oxygen saturation, alongside the free distribution of medicines. The initiative also extends its reach through referrals to higher treatment centers for more complex cases, ensuring a continuum of care for the community.

### Program Reach and Achievements:

The initiative covers 2,616 households, serving a population of 12,406 across the 14 target villages. Its patient-centric model not only addresses immediate healthcare needs but also works to instill long-term health consciousness within the community. Through an emphasis on both treatment and education, the program seeks to create sustainable health outcomes for the rural populations it serves.

### Key Achievements:

- **Comprehensive Healthcare Delivery:** Over the course of the initiative, 664 health camps were held, bringing essential healthcare services to the heart of rural communities.
- **Extensive Patient Reach:** A total of 21,879 patients received treatment, including 6,552 men, 10,722 women, 4,688 children, and 52 pregnant women, reflecting the broad and inclusive scope of the program.
- **Anemia Management:** The program identified and treated 562 cases of anemia, significantly improving health outcomes and enhancing the overall well-being of the population.
- **Health Awareness at Scale:** With 10,373 health awareness sessions conducted, the initiative has empowered villagers with the knowledge needed to take charge of their own health, emphasizing the importance of preventive care.
- **Community Trust:** A high level of patient satisfaction is evidenced by 19,396 repeat visits, underscoring the trust and confidence that the community has in the program's services.
- **Expanded Access:** The initiative welcomed 2,483 new patients, broadening its reach and ensuring that more individuals in rural areas gain access to essential healthcare services.
- **Effective Disease Control:** The program's swift response to conjunctivitis and viral outbreaks significantly minimized the spread and impact of these diseases, showcasing its ability to address urgent healthcare needs promptly and efficiently.

By delivering accessible, affordable, and effective healthcare, the Sashakt Gram (Health) initiative not only improves immediate health outcomes but also lays the foundation for a healthier, more resilient community. Its dual focus on curative and preventive healthcare ensures that rural populations are not only treated but also empowered to maintain their well-being for the long term. This program exemplifies VECV's commitment to uplifting rural health standards, fostering a future where essential healthcare is a right for all.



### 3. COMMUNITY DEVELOPMENT PROGRAM - E-COMMUNITY PITHAMPUR

The E-Community Pithampur project, implemented in partnership with the Sambhav Social Service Organization, focuses on creating inclusive communities by improving access to education, health, and empowering women in seven slums of Pithampur Industrial Area, District Dhar, Madhya Pradesh. The program is designed to uplift these communities through remedial education, healthcare services, and financial inclusion for women. Under this project, activities under themes of education, healthcare and women empowerment were conducted:

- **Education Support:** Operated seven remedial education centers, serving 388 students who benefitted from remedial education, with the program helping re-enrolment of 80% of previously dropped-out children into formal schooling. Attendance improved to 90%, and digital tools, including smart classes, were introduced to 70% of government school students, enhancing learning opportunities. The Anganwadi centers saw an attendance increase to 70%, promoting better health and nutrition for vulnerable children.
- **Health Support:** Under the project, a mobile medical unit was deployed that conducted 291 health camps, providing primary healthcare to 19,337 patients.
- **Women Empowerment:** Established 115 Self-Help Groups (SHGs), accumulating a total savings of 5.16 MINR. These groups mobilized 2.17 MINR through inter-lending, 8.09 MINR through NULM, and 2.99 MINR through ICICI loans. Furthermore, 75% of girls in the community now use sanitary napkins, reflecting improvements in menstrual hygiene practices.

The project supported seven slums in Pithampur, namely: Choti Dhannad, Daak Bangla, Fakeer Mohalla, Lodhi Mohalla, Ambedkar Nagar, Bandi Khali, and Patel Mohalla, impacting approximately 366 children and their families.

#### Key Achievements:

- 100% of children identified are now attending school or remedial education centers.
- 100% of students are aware of digital learning methods.
- 90% of children attend school regularly.
- 100% eligible children, adolescents, and pregnant women are attending Anganwadi centers.
- 87% of SHGs practice inter-lending, with 79% reporting increased self-confidence.
- 100% of SHGs maintain regular savings and bank usage, with 99% inter-lending among groups.

The project has significantly contributed to providing educational opportunities, enhancing access to health services, and promoting the economic and social empowerment of women in the community. Looking ahead, the program will continue with restructuring to enhance outcomes and achieve higher impact, ensuring long-term benefits for the community.







## 4. EDUCATION REFORM FOR MADHYA PRADESH

The Education Reform for Madhya Pradesh program, conducted in collaboration with the Project Support and Advisory Group (PSAG) and the Network for Quality Education Foundation (NQEF), operates in collaboration with the Office of the Principal Secretary, School Education Department. This initiative focuses on critical education reforms, including school infrastructure upgrades, foundational literacy and numeracy improvements, organizational restructuring, enhancing board exam performance, and implementing entrepreneurship curriculum in schools. A major emphasis is on upgrading 274 CM RISE schools, with construction already underway for over 170 schools, enhancing overall educational infrastructure in the state.

### Activities Implemented under these focus areas:

- **CM RISE:** Civil Infrastructure: The project management unit led the infrastructure upgrades for 274 schools, while policy reform assessments ensured effective resource allocation.
- **Advisory to the Principal Secretary:** Key activities included data management, creation of SOPs, and establishing monitoring systems.
- **Organizational Restructuring:** Solutions were curated to meet the needs of organizational restructuring within the Department of School Education.
- **Board Exam Performance Improvement:** Strategic inputs helped curate better evaluation systems, leading to improved board exam outcomes.
- **Foundational Literacy & Numeracy (Mission Ankur):** Age-appropriate materials for Grade 1-3 were developed, including teacher guides, student workbooks, and assessment tools.
- **Teacher Optimization:** A comprehensive assessment of human resources optimized the teaching staff for cost-effective school operations.
- **Tejasvi MP:** Various activities promoted entrepreneurship skills among students in Grades IX and XI.

### Achievements:

- **CM RISE Schools:** The initiative aimed to provide quality education to around 250,000 students across 274 CM RISE schools under a K-12/K-10 model.
- **Strategic Advisory:** Governance and management of educational projects, particularly within the Principal Secretary's Office, were improved.
- **Organizational Restructuring:** The School Education Department (SED) of Madhya Pradesh was better structured to operate efficiently for the next two decades.
- **Board Exam Performance:** Students were equipped with strategies and tips to perform better in board exams.
- **Mission Ankur:** Madhya Pradesh aims to become a NIPUN State by 2026-27, ensuring foundational literacy and numeracy for all students by Grade III.
- **Teacher Optimization:** Schools were adequately staffed with subject teachers, ensuring equitable resource distribution.
- **Tejasvi MP:** Students in higher grades developed an entrepreneurial mindset, positively influencing their career choices.

In 2023-24, the collaboration with the Directorate of Public Instruction continued to transform public education, with key projects focusing on completion. Moving forward, the focus is set to deepen on CM RISE Civil Infrastructure, and new initiatives like IT-based academic process management, the FLN monitoring system, school management systems, and FLN district augmentation in the next phase.



## 5. LOCAL AREA DEVELOPMENT - CONTRIBUTIONS TO LOCAL AUTHORITIES

This project focused on supporting community development in Sehore, Dhar, and Indore districts of Madhya Pradesh. This initiative provided resources and infrastructure to local authorities, with a special emphasis on enhancing education, water supply, and healthcare access in rural and underprivileged areas. The project's key objective was to assist local authorities in executing development work and improving essential services. The project benefited local communities surrounding the manufacturing plants of VE Commercial Vehicles Ltd. in Dhar, Dewas, Indore, and Bhopal, Madhya Pradesh.

### Activities Implemented:

- **Smart Classes Setup:** Established smart class facilities in 20 government schools in Sehore, Madhya Pradesh, enabling improved digital education for rural students.
- **Drinking Water Supply:** Provided ten water tankers to the Badnawar Block in Dhar to ensure a reliable supply of drinking water for remote rural communities.
- **Ambulance Support:** Donated an ambulance to Maharaja Yashwant Rao (MY) Hospital in Indore to enhance emergency care services in one of the largest government hospitals in the region.

### Achievements:

- **Access to Digital Education:** Around 788 students in 20 government schools in Sehore district benefitted from the smart class setups, improving their educational experience.
- **Access to Drinking Water:** The provision of 10 water tankers benefitted approximately 12,848 people across 10 villages in the Badnawar Block of Dhar, ensuring better access to clean drinking water.
- **Access to Emergency Care Services:** The ambulance contributed to MY Hospital in Indore improved the hospital's emergency care capacity, benefiting over 1,200 daily OPD patients, with around 40% of the footfall related to trauma and emergency care.





## 6. ROAD SAFETY AWARENESS - VARIABLE MESSAGE SIGNS (VMS) AT INDORE

This project was conducted in partnership with the Reserve Indore Madhya Pradesh Police Sangathan in collaboration with Indore Police. This initiative involved the installation of 25 outdoor LED screens strategically placed at prominent junctions across Indore, aiming to spread vital road safety messages to the public. These screens collectively reached approximately 26,000 viewers daily.

The primary goal of the project was to provide safety information to road users, encouraging safer behaviors and educating individuals of all age groups on effective road usage techniques. By raising awareness about road safety, the initiative aimed to engage road users, particularly the youth, in understanding the importance of adhering to safe practices to save lives and prevent accidents and injuries. The project targeted road users of all ages in Indore, with a particular emphasis on educating the youth about the critical nature of road safety.

### Activities Implemented:

As of now, 25 screens have been installed, with 20 currently operational at key junctions in Indore. These screens broadcast road safety messages, which are viewed by an average of 26,000 active road users daily. Annually, these messages are projected to reach approximately 7.3 million views, significantly enhancing public awareness regarding safe road usage.

### Impact:

The project led to an increased awareness of safe road usage behaviors among the community, contributing to a culture of safety on the roads and fostering a proactive approach to road safety among users.





## 7. EICHER DRIVER CARE PROJECT

The Eicher Driver Care Project, in collaboration with Dr. Shroff's Charity Eye Hospital, is a pivotal initiative focused on improving access to essential healthcare for truck drivers across India. This project recognizes the critical role truck drivers play in the country's logistics sector and the significant challenges they face, especially concerning health. By enhancing access to affordable, high-quality primary eye and ear healthcare services, the project aims to support the well-being and safety of truck drivers, directly contributing to improved road safety across major transport hubs.

The project set an ambitious goal of reaching 150,000 truck drivers by 2023, covering 16 states. In addition to providing care, it also focused on raising awareness within the transport community about the importance of regular eye and ear checkups. Partnerships with hospitals and stakeholders have been vital in building a sustainable healthcare model for this underserved group.

### Key Project Components:

- **Static and Mobile Healthcare Units:** A permanent vision center was established at Sanjay Gandhi Transport Nagar in Delhi, a key hub for the transport community. This was complemented by 13 Mobile Medical Units, extending essential eye, ear, and general health services, including blood sugar and blood pressure testing, to transport hubs within a 100 km radius.
- **Community Engagement and Outreach:** A total of 2,449 health camps were conducted across multiple states, benefiting 129,469 individuals, including 73,822 commercial drivers. These camps provided vital healthcare services, including free eye tests, hearing checks, and distribution of subsidized spectacles.
- **Partnerships and Collaboration:** The success of the program was driven by strong partnerships with transporters, fleet operators, and organizations like IOCL, Bisleri International Pvt. Ltd., and others. Collaborations were established across 16 states, including Delhi NCR, Karnataka, Punjab, West Bengal, Rajasthan, and more.

### Achievements:

- The project has had a tangible impact on road safety by addressing vision problems among truck drivers, a significant factor in reducing accidents on the roads.
- A total of 14,995 spectacles were distributed, with 9,230 given to commercial drivers, improving their vision and enabling safer driving practices.
- 9,358 referrals were made for further eye and ear treatments, ensuring comprehensive care for those in need, including 4,255 commercial drivers.
- 

By prioritizing the well-being of truck drivers, the Eicher Driver Care Project is not only improving individual health outcomes but is also playing a crucial role in enhancing road safety across India's transport networks.



## 8. VECV SOCIAL MISSION(VMS) AT INDORE

The VECV Social Mission has made significant strides in understanding the needs of commercial vehicle drivers through its "Motorists Need Assessment" report, which reviews various CSR programs. This assessment led to the evaluation of four partners and the consideration of two project proposals aimed at providing holistic preventive and curative healthcare services for commercial vehicle drivers. Additionally, the mission is exploring a program to connect commercial drivers and their families with social security schemes offered by both central and state governments.

The research included in-depth interviews with 65 drivers, highlighting key gaps in their needs during journeys, including feelings of stigma and vulnerability. Four transporters were also interviewed, revealing a misalignment between the interests of fleet owners and drivers, as well as the impact of drivers' illiteracy on their vulnerability. Feedback from thirteen internal stakeholders emphasized that social leadership and systemic change should be rooted in the experiences of drivers.

A review of the current CSR programs indicated community appreciation for health, education, and women's empowerment initiatives. However, there is a pressing need for a scalable "hero program" to consolidate efforts and measure long-term impacts in communities. In terms of driver training, while the program enjoys high recall, it lacks brand recognition and is particularly appealing to pre-licensed drivers, with low relevance for long-distance drivers. There is a necessity to focus on enhancing beneficiaries' livelihoods rather than merely counting the number of drivers trained.

Insights from the Eicher Driver Care (EDC) program revealed that drivers often view eye check-ups as a liability, sometimes even resorting to bribery for favourable outcomes. Eye care is typically considered essential only after age 40, which can be too late for many long-distance drivers. Furthermore, the financial burden of purchasing spectacles often falls on the drivers themselves. On the fleet owners' side, while they value drivers with normal vision, they ironically perceive those who wear glasses as less equipped, despite their responsible behaviour.

Current activities include workshops held to discuss research outputs and future directions. The design of a pilot program is in progress, with implementation anticipated in the first quarter of FY 2024-25. This comprehensive overview underscores VECV's commitment to addressing the needs of commercial vehicle drivers and enhancing their overall well-being through targeted initiatives.



## 9. ROAD SAFETY - EICHER SAFETY CHAMPS

The Eicher Safety Champs project, conducted in partnership with the Reserve Indore Madhya Pradesh Police Sangathan and the Indore Police, is a flagship initiative designed to enhance road safety awareness in the region. As road safety remains a critical concern across India, this collaboration sought to address the pressing need for public education on safe driving practices and the broader implications of road safety for both individual lives and the community.

### Key Initiative: National Road Safety Month Campaign

A central feature of the Eicher Safety Champs project was the observance of National Road Safety Month, a nationwide campaign aimed at highlighting the importance of road safety and reducing traffic accidents. Through various awareness programs, educational campaigns, and direct community engagement, the initiative aimed to instill a sense of responsibility among the general public, ultimately contributing to safer roadways in and around Indore.

During this period, a comprehensive set of activities and campaigns were conducted, addressing critical aspects of road safety.

### Achievements and Reach

The Eicher Safety Champs initiative successfully reached an audience of over 200,000 people, engaging individuals from various backgrounds and demographics. The large-scale outreach was facilitated through:

- Workshops and seminars for commercial drivers, two-wheeler riders, and the general public
- Interactive sessions with school children and youth, educating the next generation on the importance of safe driving behaviors
- On-ground campaigns at busy traffic intersections and public places to promote safety measures and distribute educational material
- Social media outreach amplifying the road safety message to a broader digital audience

As road safety continues to be a pressing issue, the Eicher Safety Champs initiative is committed to building long-term, sustainable solutions that encourage safer driving behaviors, promote adherence to traffic laws, and ultimately reduce the number of accidents on the roads.

In conclusion, the Eicher Safety Champs project, in collaboration with the Indore Police, has laid a strong foundation for fostering a culture of road safety in Indore. The project's reach, engagement, and impact are a testament to the importance of collaborative efforts between corporations and law enforcement agencies in addressing critical societal issues such as road safety.









**VE COMMERCIAL VEHICLES**  
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

# FUTURE OUTLOOK AND STRATEGIES





# WAY FORWARD

As a leading provider of transport solutions in India and the developing world, VECV continues to evolve its Environmental, Social, and Governance (ESG) strategy. We are committed to ensuring that our operations contribute positively to both society and the planet. Central to our strategy is the advancement of sustainable transportation solutions. Our focus remains on

the development and deployment of alternative environmentally friendly fuels, including electric and hydrogen-powered vehicles. Through the incorporation of cutting-edge technologies in our products and production processes, we aim to significantly reduce our carbon footprint while simultaneously enhancing the energy efficiency of our fleet.

## INTEGRATING SUSTAINABILITY ACROSS OPERATIONS

Our ESG framework will be further embedded into every facet of our business operations. From product development and supply chain management to stakeholder engagement and operational processes, sustainability will serve as a core pillar. Transparency and accountability will guide our ESG reporting, allowing stakeholders to gain a clear understanding of our progress.

Moving forward, we will conduct a double materiality assessment to identify the most

critical ESG topics relevant to our business, considering both their financial impact and their effect on the environment and society. We will continue to identify and mitigate risks associated with climate change while seizing opportunities to create value through responsible business practices. Engaging with our stakeholders will remain essential to this approach, helping us understand their needs and expectations to make informed decisions that benefit VECV and the communities we serve.

## BUILDING ORGANIZATIONAL RESILIENCE

To create a resilient organization, VECV remains committed to nurturing talent and fostering a progressive organizational culture. By enhancing our capabilities, we position ourselves as the employer of choice in the commercial vehicle

industry. We will strengthen our focus on holistic employee development, ensuring that our workforce has opportunities for upskilling, reskilling, and personal growth.

## COLLABORATION FOR SUSTAINABLE MOBILITY

Collaboration is central to achieving our sustainability objectives. We will continue to work closely with governmental bodies, industry peers, startups, and communities to deliver sustainable transportation solutions that benefit all stakeholders. At VECV, we believe in a culture

of continuous improvement, where feedback and innovation drive our sustainability agenda. We will regularly review our strategies and operations to ensure that we remain at the forefront of sustainable mobility.





## CAPITALIZING ON INDIA'S INFRASTRUCTURE GROWTH

As the Government of India prioritizes capital investments in infrastructure and improvements in logistics efficiency, VECV anticipates growing demand for commercial vehicles. In particular, we expect increased demand for Multi-Axle Vehicles (MAV) and Tippers in the current fiscal

year, despite the upcoming general elections. The expansion of railway corridors and the rise of e-commerce are also likely to drive demand for last-mile transportation in the commercial vehicle sector.

## PREPAREDNESS FOR EXTERNAL RISKS

To navigate potential disruptions, VECV has developed strategies to leverage positive macroeconomic conditions. Simultaneously, we have established enterprise risk management programs to address external risks. This level

of preparedness ensures that VECV is well-positioned to capitalize on growth in the Indian commercial vehicle market while maintaining operational continuity, regardless of external challenges.

## DRIVING ELECTRIFICATION AND CLEAN FUEL TECHNOLOGIES

VECV is actively contributing to the electrification of public and goods transportation across India. With over 300 electric trucks and buses deployed in states from Kerala to Chandigarh, we are playing a pivotal role in transforming transportation. Additionally, VECV has introduced electric buses for employee transportation at our Pithampur facility, making us one of the first companies in India to do so.

Beyond electrification, VECV is committed to exploring new opportunities in both the public and private sectors. We are also focusing on developing clean fuel technologies, including vehicles powered by LNG, hydrogen, and fuel cells. These efforts aim to drive sustainable mobility while reducing the environmental impact of transportation.

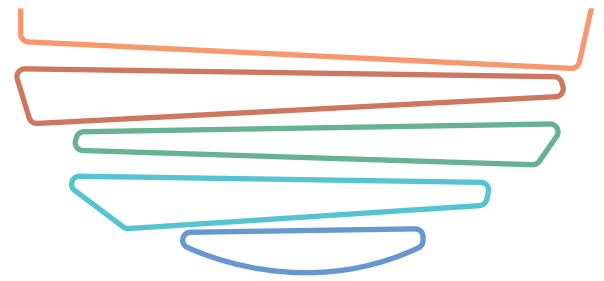


## A FUTURE OF SUSTAINABLE GROWTH

VECV remains committed to driving sustainable mobility and creating a lasting positive impact on society and the environment. By continuing to evolve our ESG strategy, we will build a future where transportation solutions are not only

innovative but also environmentally responsible. Through collaboration, continuous improvement, and a forward-thinking approach, VECV will continue to lead the commercial vehicle industry towards sustainable growth.





# APPENDIX

## PERFORMANCE TABLES

### ENVIRONMENTAL PERFORMANCE<sup>1</sup>

#### GHG Emissions

Particular	Unit	FY 2023-24	FY 2022-23
Total Scope 1 GHG Emissions	tCO <sub>2</sub> e	23,459.22	19,147.74
Total Scope 2 GHG Emissions	tCO <sub>2</sub> e	73,827.29	67,262.07
<b>Total GHG Emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>97,286.52</b>	<b>86,409.80</b>
<b>GHG Emissions Intensity as per Revenue</b>	<b>tCO<sub>2</sub>e/MINR</b>	<b>0.44</b>	<b>0.46</b>

#### Air Emissions

Particular	Unit	FY 2023-24	FY 2022-23
NOx	Kg	2,060.91	43,859
Sox	Kg	1,132.99	7,645
Particulate matter (PM)	Kg	901.91	18,212

#### Energy Management

Particular	Unit	FY 2023-24	FY 2022-23
Total Non-Renewable Fuel Consumption	GJ	3,66,276.66	3,08,365.71
Total Renewable Fuel Consumption	GJ	82,484.10	83,996.37
Total Indirect Energy Consumption	GJ	3,71,168.99	3,38,162.11
<b>Total Energy Consumption</b>	<b>GJ</b>	<b>8,19,929.75</b>	<b>7,30,524.19</b>
<b>Energy Intensity as per Revenue</b>	<b>GJ/MINR</b>	<b>3.74</b>	<b>3.85</b>

<sup>1</sup>The Environmental Performance Indicators for FY 2022-23 excluded the VBI Bangalore plant from the reporting boundary.



### Water Management

Particular	Unit	FY 2023-24	FY 2022-23
Surface water	ML	0.00	0.00
Ground water	ML	85.99	183.29
Seawater	ML	0.00	0.00
Produced water	ML	0.00	0.00
Third party water (Municipality Pipelines)	ML	737.58	654.94
<b>Total Water Withdrawal</b>	<b>ML</b>	<b>823.57</b>	<b>838.24</b>
<b>Total Water Consumption</b>	<b>ML</b>	<b>823.57</b>	<b>838.24</b>
<b>Total Water Discharge</b>	<b>ML</b>	<b>0.00</b>	<b>0.00</b>

### Water Management in Water Stressed Regions

Particular	Unit	FY 2023-24	FY 2022-23
Surface water	ML	0.00	0.00
Ground water	ML	85.99	183.29
Seawater	ML	0.00	0.00
Produced water	ML	0.00	0.00
Third party water (Municipality Pipelines)	ML	737.58	654.94
<b>Total Water Withdrawal</b>	<b>ML</b>	<b>823.57</b>	<b>838.24</b>
<b>Total Water Consumption</b>	<b>ML</b>	<b>823.57</b>	<b>838.24</b>
<b>Total Water Discharge</b>	<b>ML</b>	<b>0.00</b>	<b>0.00</b>

## SOCIAL INDICATORS

### Total Number of Employees

Employee Category	Male	Female	Total
Permanent Employees	2,876	223	3,099
Temporary Employees	88	4	92
<b>Total</b>	<b>2,964</b>	<b>227</b>	<b>3,191</b>

### Workers who are not employees

	Total Workers
The total number of workers who are not employees and whose work is controlled by the organization	36,420

### Total Hiring During FY 2023-24

Category	No. of Employees Hired from 1 Apr 2023 - 31 Mar 2024					
	Age Group					
	<30		30-50		>50	
	Male	Female	Male	Female	Male	Female
Total number of new employee hires during the reporting period	580	103	130	9	12	0

### Training and Development

Category	2023-24					
	EHS Training		HR Training		Other Training except EHS & HR	
	Male	Female	Male	Female	Male	Female
Employees	2381	123	2821	174	7237	691
Total Training Hours	9627.52	502.6	23410.18	1319.1	92835.94	7686.26

### Performance and Career Development Reviews

Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.

	Male	Female	Total
Senior Management	100%	100%	100%
Middle Management	100%	100%	100%
Junior Management	100%	100%	100%

## OCCUPATIONAL HEALTH AND SAFETY

Work-related injuries FY 2023-24			
For all employees	Total (Incidents)	Male (Incidents)	Female (Incidents)
The number and rate of fatalities as a result of work-related injury	0	0	0
The number and rate of high-consequence work-related injuries (excluding fatalities)	0	0	0
The number and rate of recordable work-related injuries	4	4	0
The main types of work-related injury	Superficial cut, fracture of bone, injury resulting from slip and fall, Hand and finger injury due to contact with a sharp edge		
The number of hours worked	2,57,72,241		

Work-related injuries FY 2023-24			
Safety Data for workers who are not employees but whose work and/or workplace is controlled by the organization	Total (Incidents)	Male (Incidents)	Female (Incidents)
The number and rate of fatalities as a result of work-related injury	0	0	0
The number and rate of high-consequence work-related injuries (excluding fatalities)	1	1	0
The number and rate of recordable work-related injuries	6	6	0
The main types of work-related injury	Hearing Loss, Minor cut injury on hand		
The number of hours worked.	3,32,65,428.29		

Work-related ill health FY 2023-24			
For Employees and workers who are not employees but whose work and/or workplace is controlled by the organization	Total (Incidents)	Male (Incidents)	Female (Incidents)
Fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
The main types of work-related ill health	Not Applicable		



# GRI CONTENT INDEX

**Statement of use** VE Commercial Vehicles (VECV) has reported the information cited in this GRI content index for the period 1st of April 2023 to the 31st of March 2024 with reference to the GRI Standards.

**GRI 1 used** GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	11
	2-2 Entities included in the organization's sustainability reporting	5
	2-3 Reporting period, frequency and contact point	5
	2-6 Activities, value chain and other business relationships	16 to 23
	2-7 Employees	126
	2-8 Workers who are not employees	126
	2-9 Governance structure and composition	37, 38
	2-10 Nomination and selection of the highest governance body	39
	2-11 Chair of the highest governance body	37
	2-12 Role of the highest governance body in overseeing the management of impacts	37
	2-13 Delegation of responsibility for managing impacts	43
	2-14 Role of the highest governance body in sustainability reporting	5
	2-15 Conflicts of interest	40
	2-16 Communication of critical concerns	40
	2-19 Remuneration policies	39, 40
	2-20 Process to determine remuneration	39, 40
	2-22 Statement on sustainable development strategy	35
	2-23 Policy commitments	39, 40, 41, 42
	2-24 Embedding policy commitments	39, 40, 41, 42
	2-25 Processes to remediate negative impacts	40
	2-26 Mechanisms for seeking advice and raising concerns	40
	2-27 Compliance with laws and regulations	39
	2-29 Approach to stakeholder engagement	29, 30
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GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	32
	3-2 List of material topics	33, 34
	3-3 Management of material topics	31, 32
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	45
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