

Sustainability &
Resilience

**SUSTAINABILITY
REPORT
FY 2020-21**



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BKT HOUSE

BKT
GROWING TOGETHER



Introduction

Organisational Overview

BKT A Brief Profile GROWING TOGETHER

With long standing customer patronage, high quality products, highest level and respect for compliances, and lowest attrition in our industry, we are a clean, responsible, self-governed, high on technology, global company balanced with a humane touch.

Revenue: **USD 795 Million**

People employed: **2,861**

Profits after tax: **USD 153 Million**

Workmen: **6,360**

Markets served: **160+ countries**

No. of plants: **5**

Corporate Office: **Mumbai, India**

Subsidiaries: **6**

Global market share: **~5%**

Exports: **80%**

Number of tire SKUs: **~2800**

Domestic Sales: **20%**

We produce **550 metric tons** of tires per day.

We introduce 80-100 new tire sizes every year.

Balkrishna Industries Ltd. (BKT) is a Indian publicly traded Company, listed on BSE and NSE, India, manufacturing rubber tires and carbon black with markets across diverse geographies globally.

A Four Star Export House, BKT exports majority of the tire production (80%) across the globe. In the domestic market, the company supplies to major OEMs and also to the replacement market.

We specialize in off highway tires, and lead the niche markets with the widest range of tires (~2800 SKUs). As an organization, our experience in tires spans over three decades.

An INR 5757.9 crores turnover Company with an impressive and consistent growth in revenues, profits and triple bottom line value creation over decades, Balkrishna Industries Ltd. (BKT) is set to cross higher benchmarks of performance and value creation in times to come.

Total market capitalization: 32,642 Crores.

A pool of 2,861 people, four tire manufacturing plants in India, one mould plant in India, six subsidiaries and a network of value chain partners in 160+ countries come together to create ever evolving performance at BKT, thanks to our deeply embedded culture and ethos, strengths in technology, innovation, the expertise

and dedication of our people, coupled with the trust showered by the communities we serve.

Our product range comprises Agriculture, Industrial & Construction, Earthmover (OTR) and other specialty tires in Bias and Radial construction built-to-suit various terrains in the off-highway market.

We deploy a combination of domestic and imported raw material: natural rubber, synthetic rubber, carbon black, chemicals, nylon, polyester and aramid belts, beadwire, brass coated steel cords.

We serve over 160 countries across Europe, North America, Australia & New Zealand, Latin America, Middle East, Africa, Asia, through a vast network of reliable and reputed distribution partners.

Our customers include renowned OEMs such as Bomag, Dynapac JCB, John Deere, CNH, Caterpillar, Claas, SDF, Mahindra, Tafe and many more.

Across the various types of tire products and markets we create and serve, our key products are Agri-Radial tires, OTR & Mining tires, Industrial & Construction tires, top global markets being Europe and North America, and top domestic markets being UP, Punjab, Haryana, Maharashtra, MP, Chattisgarh, Bihar and Jharkhand.

Corporate Office

BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, India

Registered Office

B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431 136 (Maharashtra), India

Tire Plants

- * B-66, Waluj MIDC, Waluj Industrial Area, Aurangabad 431 136 (Maharashtra), India
- * SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301 019 District - Alwar (Rajasthan), India
- * A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301 707, District - Alwar (Rajasthan), India
- * Bhuj Bhachau Road, S.H.No. 42, Village Padhdhar, Taluka Bhuj 370 105, District - Kutch (Gujarat), India

Mould Plant

Plot No. C-21, MIDC Phase-I, behind Vicco Laboratories, Dombivli (E) - 421203 (Maharashtra), India

Wind Farm

Village Soda Mada, Tehsil Fatehgarh 345 027, District Jaisalmer (Rajasthan), India

(This Report covers four tire manufacturing plants and one mould plant as well as Corporate office in India. We also manufacture carbon black and the plant is under stabilization, and hence not covered in this report.)

Our Global Offices

BKT EUROPE S.R.L.

Viale Della Repubblica, 133 20831 Seregno (MB), Italy

BKT USA INC.

2660 West Market St. Suite 100, Fairlawn (Akron) OH 44333, USA

BKT TIRES (CANADA) INC.

55 York Street, Suite 401, Toronto, Ontario M5J 1R7, Canada

BKT Tires INC.

960 Holmdel Road, Suite 2-02, Holmdel, NJ 07733, USA



Leader Message



Dear Stakeholders,

How we make tires is much more important than the tires themselves.

For this reason, we adopted a sustainable business model right from BKT's foundation. A profound sense of social responsibility has always driven our corporate choices, focusing our attention on people, their wellbeing and their personal and professional growth, on inclusion, and on valorizing diversity. A fundamental part of our philosophy also lies in reducing our environmental impact, by limiting waste and optimizing resources.

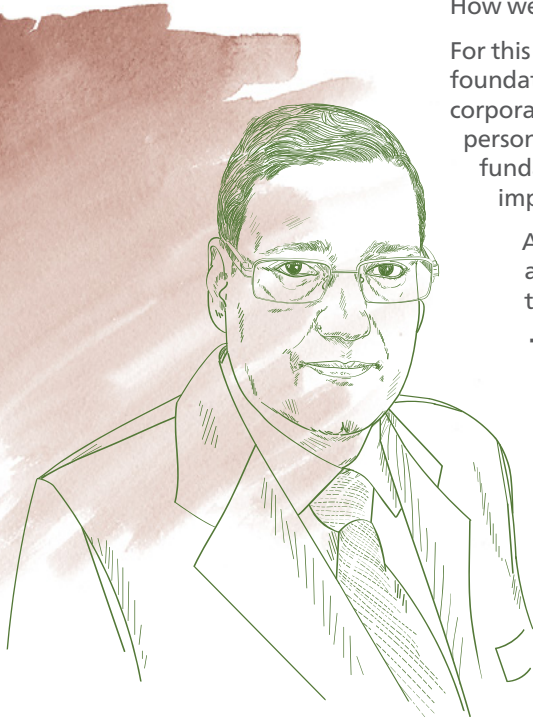
At BKT we evaluate short, medium and long term sustainability risks and opportunities. We formulate a sustainability strategy based on this thinking.

The Power of Giving

During the pandemic, however, the concept of sustainability took on a new dimension: the essential need to take care of a planet in extreme difficulty. A planet which, for the first time in the modern era, is engaged in fighting a pandemic.

Covid-19 has given us a lot to think about and has made us focus even more on the ways in which we want to leave a better future in the hands of the next generations. For BKT, this has also meant rolling up our sleeves to protect as many people as possible from infection and to support struggling communities worldwide.

We tried with all our strength and all the means at our disposal to be close to those who needed help the most. We as BKT believe in spiritual foundations including sharing, generosity, strength- this permeates BKT's business worldwide. We believe in "The Power of Giving".



Arvind Poddar

Chairman & Managing Director

People first

Being a company brings with it the social responsibility of being the first to act and to set a good example, in every field.

So, first, we took steps to make people safe. This was the absolute priority and will always be so.

Our production plants operated with full capacity by carefully follow the guidelines and regulations, in order to minimize risks arising from the Covid-19 pandemic.

BKT was one of the first companies in India to contribute directly to the vaccination activities by making available to our employees and their respective families over 22.000 doses of vaccine. Besides building ICU treatment units at some of our factories, we also entered into numerous partnerships with various hospitals and emergency structures in the local area to facilitate access to oxygen and medicines for its employees in case of need. We also donated sheets and medical clothing to various Indian hospitals which, owing to the emergency, had to manage an increasing number of admittances.

"Every problem is a gift—without problems we would not grow."

With no doubts, the last one year has been particularly challenging for every company at every latitude in the world, including our Organization.

Events beyond our control have had an exceptionally heavy impact for any business reality, namely the pandemic before, and the shortage and increase in the prices of raw materials as well as the disruption of main logistics services after.

BKT has demonstrated its adaptability and flexibility also in this complex situation, reacting promptly to the changing conditions of the global market.

Everything has undergone a radical transformation, from the very way of managing the business to the daily activities. Let's think, for example, about the meetings: the pandemic has restricted, if not even eliminated, the possibilities of meeting in person, forcing companies to a sudden technological evolution. The BKT IT team was ready to intercept this problem, immediately adopting technologies to allow people to meet virtually.

Cutting distance

Therefore, cutting distance has become our mantra. Especially in this situation: let's stay close to each other.

Because people are the assets, the basis and the true value of BKT.

We firmly believe in their inclusion, trust, and development and we continue to invest in coaching and mentoring, so that everyone can grow and realize their potential. "People first" because nothing is more valuable than them.

This is our idea of business, today and tomorrow.





Rajiv Poddar
Jt. Managing Director



The future is an opportunity to grasp

In the spirit of facing up to challenges and being resilient which characterizes us, BKT thinks creatively focusing on the current difficulties by finding the hidden numerous opportunities. This is what we do all time: thinking out of the box.

Every day and situation is indeed a challenge, and the Covid-19 pandemic is too, but business is nothing without challenges that make companies and market evolve, improve.

The solution in order to win is to stay anchored to one's values and BKT does just that. Ethics, trust, respect, teamwork, reliability and listening will all be part of this new era too.

While everything is changing, it is important to have good, firm roots which let the tree remain balanced and grow.

BKT's mission is to hand down this rich wealth of values and preserve this ethical and healthy model in the organization for a long time. Although we are aware that a better future cannot be achieved in the short term, we certainly do not lose sight of the goal, creating an environment in which these values are really focused on the common good.

We keep focused, committed and we keep stay close to each other.

Never stop committing and growing

Not even the Covid-19 pandemic could stop BKT's activities.

It's with pride, indeed, that we announce the completion ahead of scheduled time of key projects like the production area dedicated to Super Giant OTR tires in Bhuj site.

Our engineering team commissioned and installed huge and critical equipment in autonomy, due to the impossibility of meeting and get assistance from external suppliers.

This is also BKT, finding the strength in the team and winning challenges together.

We all know that situation worldwide has created numerous difficulties in term of supply chain, raw material procurement and workforce availability among many others, but we did it face and answer all these issues together, as a team, by joining forces, by encouraging others, by sharing knowledge and enthusiasm.





SUSTAINABILITY

Sustainable Organization



Sustainability Commitments



Quality policy



Adherence to Compliance



Environmental policy



Health & safety policy



Certifications for excellence



Ethics policy



Employee Welfare policies



Zero compromise on ethics



Clean technology



CSR policy



Code of conduct



Green energy



Code of conduct (suppliers)



Environmental Management Systems



Whistle blower & vigilance mechanism policy



Endorsement of precautionary principle





Commitment to sustainability reporting

With this report, BKT commits to and initiates a journey of sustainability reporting based on the GRI Standards.

A sustainability report shares the story and performance disclosures across three bottom lines of People, Profit and Planet to its stakeholders.

We are glad to be taking this step in a spirit of demonstration of our integrity, transparency and accountability.

This report focuses on our core business:
Off-Highway tires.

The scope of this report includes our economic, environment and social performance during FY 2020-21

The boundary of economic category of disclosures is global, akin our Annual Report and includes wholly owned subsidiaries:

BKT Tires Limited (India)

BKT EUROPE S.R.L.

BKT USA INC.

BKT TIRES (CANADA) INC.

BKT EXIM US. INC.

BKT TIRES INC. (step down subsidiary of BKT EXIM US INC.)

There is no change in share capital structure. Green field expansion at Waluj plant and brown field expansion at Bhuj plant are in progress to improve our production and take advantage of scale of operations.

The social category of reporting pertains to our India operations where majority of our employees are engaged and where our CSR endeavours are serving the communities.

The environmental category disclosures pertain to India, since this is where our production operations exist, with impacts on the environment.

This report excludes the carbon black plant operations of our structure as the entity has initiated its operations in the recent past and the plant is undergoing a stabilization process. We shall include this entity going forward.

Our internal stakeholders have enthusiastically come forward to contribute their inputs, perspectives and also sustainability performance disclosures to help create our first report.

The report content is defined and developed as per the GRIS principles and guidance, and is in accordance with the Core option of reporting, of GRI Standards.

This being our first report, is internally audited and externally assured.

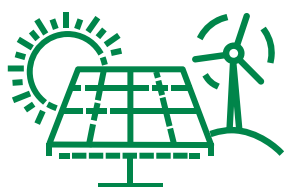
The contact person for feedback : Mr. A K Sharma:
anil.sharma@bkt-tires.com



Sustainability Highlights

- ▶ We have been an organisation which reads the future trends early and deploys high strategic agility in the business.
- ▶ Producing tires responsibly is a leadership model for BKT.
- ▶ Our focus on enhancing the tires' lifecycle enables sustainable business of our customers.
- ▶ We have increased the life of our agricultural radial tires thereby demonstrating our commitment for the cause of sustainability.
- ▶ Our heavy investments in modernization and automation of plants (over INR 47.32crores) contribute to our future sustainability endeavors.
- ▶ Our yield ratio between material input & output is as high as 1: 1 with 99% efficiency: minimal process loss is an indicator of sustainability.
- ▶ Our commitment to green energy is a perpetual phenomenon: our first wind farm was established way back in the year 2004.
- ▶ This commitment is continued with the establishment of a Solar Panels at Chopanki and Bhuj in the year 2017.
- ▶ To reduce the air emissions, we switched over from coal fired boilers to gas fired boilers at Bhiwadi and Chopanki in the year 2019.
- ▶ Several clean tech and conservation mechanisms, particularly in the last 10 years, have helped us save planetary resources and operating costs too.
- ▶ Maintaining highest level of employee engagements and lowest level of employee attrition (0.25%).
- ▶ Option of continued working after the retirement age for senior management, ensuring continued active life for the people and at the same time benefitting the organization from their expert pool of knowledge and experience.
- ▶ Succession planning for critical positions for business continuity at all times.
- ▶ BKT Foundation in charge of spearheading our CSR endeavors as well as the ensuing social value creation.
- ▶ Our CSR Policy and CSR Committee of the Board bring in the required direction for our community engagements.





Environment

- ▶ 5MW Windfarm (Rajasthan) and solar plants enabling green energy.
- ▶ Increasing investments in retraceable packing material.
- ▶ Our tree plantation (~100,000 trees) at Bhuj, Gujarat has increased the green cover of the plant area to 33%.
- ▶ Our good practices for environmental sustainability include : Low sulphate alternative fuel - Condensate recovery system etc.
- ▶ Our Bhuj plant is ZLD: Zero liquid discharge.
- ▶ Waste water is reused/recycled through ETP/ STP & Horticulture at our plants: ETP Waste is disposed at landfill. Coal Ash is sold to cement & brick plants as well as used for internal road construction.
- ▶ Average waste process scrap (7.7 kg/metric ton of production).
- ▶ Our plants at Chopanki and Bhiwadi initiate our shift from coal fired boilers to gas fired boilers-- a sustainability endeavour.
- ▶ The fabric scrap , by product of a process, is redesigned and remade to be recycled back into the product: a sustainable innovation in material recycling.



Social

- ▶ 6,360 workmen.
- ▶ High engagement levels in our people: low attrition levels (0.25% in FY 2019-20, and 6% in FY 2020-21). No cases on discrimination, human rights violation, POSH or any whistle blower cases.
- ▶ Labor Relations across all plants are cordial and there were no unsettled issues. Only one unit has a Union which is highly cooperative.
- ▶ 100% training coverage for all our employees and workers.
- ▶ High safety performance: No fatalities, no serious injuries (3 year trend) Covid related deaths:3 (none on our premises).
- ▶ BKT continues to pursue community care: Education, rural development, health, medical care & sanitation and other causes.
- ▶ We spent INR 2232 lakhs on CSR during the year 2020-21.
- ▶ A network of trustworthy NGOs help us continue to care for the society.
- ▶ Our COVID related care initiatives covered all our employees, their families and external communities as well.
- ▶ Authorised vaccination drives, hospital collaborations, in-house ICU set up, workplace safety, successful treatment of patients in-house and other initiatives marked our care amidst COVID.



Business

- ▶ Turnover USD 795 Million.
- ▶ Carbon black plant, our step in backward integration, getting ready to meet all our carbon requirements.
- ▶ We maintained business continuity amidst a disruptive pandemic and grew our business to further heights.
- ▶ Our products are REACH compliant (Registration, Evaluation, Authorization and Restriction of Chemicals), with no harmful chemicals.
- ▶ The life extension we have achieved in tires renders them additionally sustainable to our customers.
- ▶ Our customers trust us for the sustainable products we make.
- ▶ Focus on customer satisfaction.
- ▶ No customer losses.
- ▶ No product recalls.
- ▶ No fines, sanctions, penalties on any environment/social related operations.
- ▶ No complaints on unethical practices or unfair trade practices or anti-competitive behaviour, no cases on human rights violations. (A five year trend).

Being BKT



Driven by Core Values



Balkrishna Industries Limited (BKT) started its tire business in 1987 when it set up its first plant at Waluj, near Aurangabad, Maharashtra.

We started as tire manufacturer for 2/3 wheelers, a already crowded market at that point in time. We took up the challenge to explore low presence/unexplored markets & product category.

Specialist segments such as agricultural, construction and industrial as well as earthmoving, port and mining, ATV, and gardening applications got added to its portfolio in its progressive path.



Key milestones in the history of BKT

Current Scenario:

~5% market share in the global Off-Highway Tire market

~20% production serving India

~25%+ market share across Europe

Facing higher demand than our current capacity and planning further expansion

Started manufacturing for large size 51" diameter tires at Bhuj.

2019

We completed our plant of pride: Our state-of-the-art Green Field facility at Bhuj.

2015

2009

Turnover crossed INR 1000 crore milestone.

2011 Rebranding of BKT Logo.

2008 Launched Earthmax Tires, a range of OTR radial earthmover tires.

2003

Production of ATV, Gardening & Earthmover Tires.

2006

Established a Greenfield facility third plant at Chopanki (Rajasthan).

2002

Second tire plant established in Bhiwadi, brownfield facility.

2004

Launched Radial Agrimax Tires. | Set up Tire Mould manufacturing Plant at Dombivli (Maharashtra) for captive consumption.

1995 Started production of Off-Highway Tires. | Launched implement and tractor front tires.

1987 1st Plant in Aurangabad inaugurated by our Founder Chairman, Late Mr. M P Poddar.

Evolution of our Vision and Mission.

Our vision has expanded and our mission has evolved over the years as our organization grew into newer spaces and reached higher rungs of excellence.

Our founding vision and mission were about serving our customer with tires that met their ongoing needs closely while keeping our employees enthused at work.

In 2015, we adopted a game changer stance to our vision and mission as we rose higher and embarked on newer challenges in our product development and the way we served our markets.

Our vision and mission now depict our confidence in garnering a leadership position in the market of Off-Highway Tires in the niche we diligently serve.



OUR VISION

To achieve leadership position in the Off-Highway tire market worldwide

OUR MISSION

Growing Together

OUR VALUES

Quality
Trust
Excellence
Innovation
Leadership



Three Cornerstones of being BKT



Balance

Balance is of paramount significance to 'being BKT' as it is to the tires we produce!

It is evident in the following:

- ▶ Being truly 'Glocal' with 'Think Global, Act Local' strategy: an Indian Company with a global orientation.
- ▶ The way we blend traditional values of family culture with modern, cutting edge innovation. Today, ours is a culture of an amalgamation of the old and the new.
- ▶ Old hands in long tenures constantly learning and training the new hires for high adventures in innovation and customer delight is a common feature with us.
- ▶ Old bonds with shared experiences looking at and pursuing new dreams, in groups bound by a gel of belongingness is what our teams are made of. Yet, we are reinventing and repositioning ourselves constantly.
- ▶ Holding as precious, and leveraging the learnings of the past that spans decades, and at the same time, staying relevant through customer research, tech and innovation, is what characterizes our core approach.
- ▶ Leadership that cares for customers, employees, workers as well as for communities and surely the planet; inclusive and balancing several stakeholder interests in regions replete with socio-cultural and environmental challenges.
- ▶ Our ethos are well balanced with professional work culture—encouragement of newer ideas being the norm.
- ▶ Our employees and workmen both receiving a balanced and inclusive care for welfare and wellbeing.
- ▶ Maintaining a 'hi-tech' capability along with a 'hi-touch' sensitiveness on the human relations' front: ours is an avant-garde technology with a humane heart.
- ▶ Totally indigenously developed technology for global markets (DSIR Certificate).

Family culture

Our Founder over three decades ago proclaimed *"When a person walks into our organization, he must feel happy to come for work; when he leaves, he must leave with a heavy heart waiting to return next day with greater enthusiasm".*

Our leadership model since then has constantly strived for such sense of patronage over positive spirit of our employees and trusteeship over their wellbeing, beyond just treating them as 'capital' or 'resource'.



Respect and trust in leadership rather than mere serving authority makes BKT a model of authentic leadership.

While being anchored on strong values, we have traversed a long journey of moving into systems and structures in the HR domain, bringing in meritocracy and equality, and efficient processes and operations. Our performance management systems have evolved over the years. Today we are a fine blend of family culture anchoring us at the foundation, and professional work culture as well as profound processes driving our operations.



We are a **'Great team moving in the same direction'**- with well achieved synergy: this is a reflection of our deep ethos.

Growing together— a motto which is inclusive of our stakeholders and supports partners-vendors, distributors and others to grow along with us—is a part of our tradition. It is not uncommon to hear our distributors say they are made to feel like one of us—a part of BKT family.



Our open communication culture stays inclusive for all levels and is anchored on respect and trust for all.

Where failure does not instill fear but is seen as a learning post in the journey, our people know and find room to experiment, innovate, fail, succeed, and learn either way. Some of our senior leaders who had left BKT at some point have returned to our welcoming fold, for the same reasons. It further reiterates the need and significance to instill and inspire a culture anchored on strong values—if an organization wants to build an institution along with growing the scale of business. In this sense, we are built to last.



The brand is held above the boss in the BKT culture: **'We work for the brand, not for the boss'** is an internal adage amongst us.

Where safety is held above productivity, where technology is held above production, where humility is held above one-upmanship, and when top leadership exemplifies all these values, it builds a timeless culture.



This is the story of the team called BKT: The unheard back story behind the much admired brand called BKT.

Responsible Company

Ethical: Our values of transparency and integrity are of high significance to us, and the core values of trusteeship, quality, innovation, leadership and excellence anchoring our governance philosophy keep us on the right side of law and ethics, stringent on compliance and conflict-free in conduct with stakeholders.



Our ethos of responsibility reflect in our governance, core values, products, employee engagements, labor relations, community care, planet care, and overall conduct and operations.

People-centric since inception, we prioritize people wellbeing over several other imperatives. Our philosophy of people-first finds its validation in high levels of engagement, long tenures and low attrition among our people.

Our sense of responsibility includes our contractual workers: Their wellbeing, safety and engagement are paramount to BKT.



Having successfully navigated employee relations in the past, and our social welfare, pro-labor stance has kept labor conflicts at bay and has brought in high level of trust among our workers. The Company has a multiskilled workforce from varied backgrounds, the synergy arriving out of this contributing substantially to the manufacturing operations.

Green energy started two decades ago with our windmills established in 2004. Green cover increased with plantation of nearly 41,000 trees in Bhuj plant.



Community wellbeing is our responsibility, and our CSR work reflect this commitment . Social responsibility has been a core value. BKT Foundation set up in 2010 spearheads social impact initiatives on chosen themes. Diverse aspects of our responsibility are detailed out in this report.



Materiality & Stakeholders



Materiality Assessment

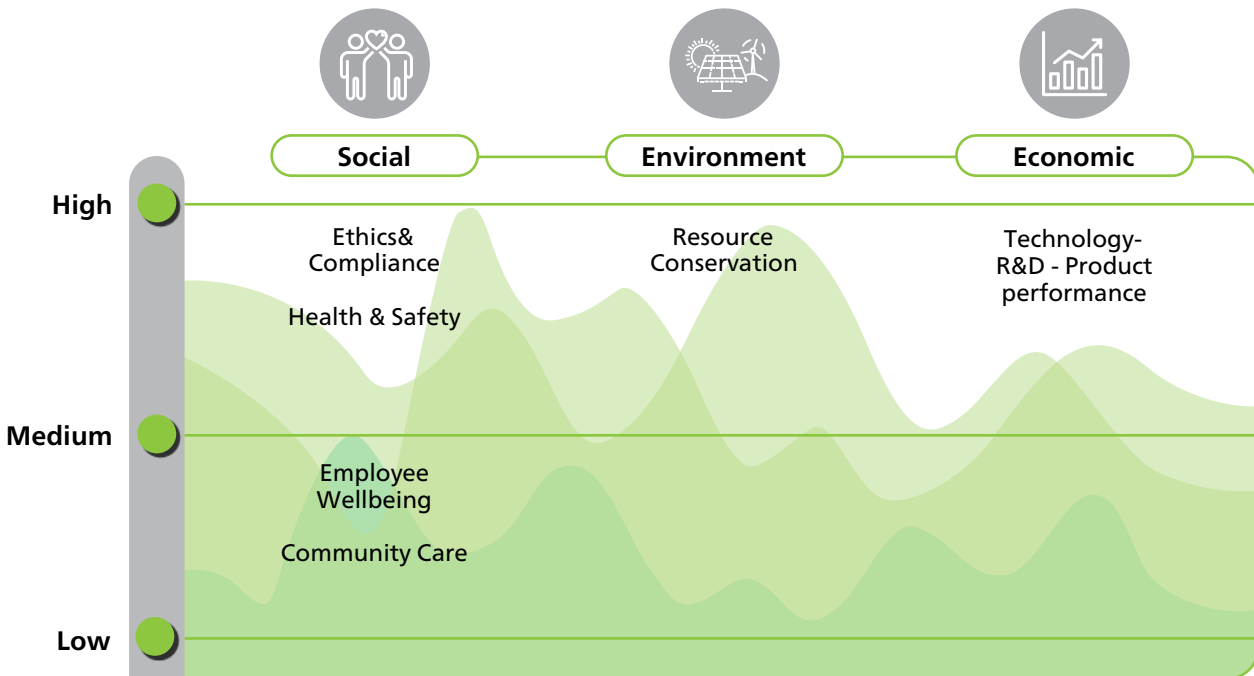
Balkrishna Industries Ltd. (BKT) decided to take up a structured approach to materiality determination. The senior management teams and key employees explored the larger universe of material issues- global, national as well as those relevant to our industry. Our risk assessment framework, sustainability challenges and our business strategy and market insights helped us to funnel them further.

We know that materiality determination is never complete without inputs from our stakeholders, and hence we gathered and analysed feedback from our

customers, vendors as well as our employees.

A range of inputs from diversified sources thus informed the process of materiality determination, and helped us to define the focus areas. The importance and impact of the stakeholders on BKT, and BKT's importance and impact on them formed the basis.

The mapping is done on two axes: three bottom lines-- Economic, Social and Environmental, and different degrees of priority. The result was a materiality matrix of six material topics for BKT.



Stakeholder Engagement

We are an inclusive organization which holds the interest of our stakeholders close to our plans and operations. Growing together, as a moto includes all stakeholders, holding their interests and growth as critical to success.

Our key stakeholders are customers, employees, vendors, shareholders & investors, government bodies, media and the community around our business units.

Their significance to our operations and business success in the short as well as long term forms the basis for identifying and prioritizing them.



Our approach consists of sharing (information, intellectual resources), caring (about people, environment, and society) and distribution (of gains, advancements, knowledge).

The space we have created for feedback at various touch points in the value chain is responsible for our business which constantly stays agile and adaptive to changing customer requirements, and growing employee expectations. We engage with our key stakeholders through multiple formal & informal channels of communication for continuous business dialogue and need based feedback with various channels of communication such as surveys, telephone calls, meetings, video calls, discussions, periodic meetings, reviews etc.

We share regular information updates with our **shareholders** and deliver positive returns to them year on year.

Customer meets, workshops, exhibitions, product advertising campaigns, corporate print and TV campaigns, bulletins, news and one-on-one interactions form various customer interfaces for engagement. Customer satisfaction surveys, annual reviews which invite their experiences, and experiential modes such as the 'customer experience zone' at BKT Europe (our subsidiary in Italy) further

strengthen our engagement.

Our website with its feedback form and the new age social media channels keep us interactive with the existing as well as potential customers and other stakeholders in this B2B space.

The timely and frequent sharing of information concerning current operations and future plans with our **supply chain** keeps them engaged.

Success Stories, an engagement initiative at BKT,

encourages **employees** to participate at forums and showcase their path-breaking work. National and social festivals, several celebratory occasions and also several wellbeing initiatives provide room for engaging with employees closely.

The **communities** around our operations are constantly engaged with us through our CSR actions over themes such as Water & Sanitation, Health, Education and Rural Development.

We closely work with the government and the **regulatory agencies** in order to ensure their priorities and concerns are well integrated into our policies.

Our membership of key organizations which liaison with the government on policy and implementation issues stand us on a good ground of advocacy as well as engagement. Some such organisations are: All India Rubber Industries Association (AIRIA), Bombay Chamber of Commerce (BCC), Chemical and Allied Export Promotion Council of India (CAPEXIL), Federation of Indian Export Organization (FIEO) etc.

We keep a humble and moderate engagement with media, through which we reach out to our stakeholders to keep them informed about business developments.



Material goals that drove our sustainability performance in FY 2020-21.

Material topic		Material Goals (2020-21)
1	Technology-R&D-Product Performance	Constant innovation ~1% revenue for R&D Increase the range of SKUs Modernisation of plants Expansion of capacity in the near future High customer satisfaction & renewals
2	Ethics & Compliance	Highest level of Ethics and compliance Maintain no violations status
3	Health & Safety	Maintain zero fatalities status Maintain focus on the training and implementation Awareness on safety
4	Employee Wellbeing	Maintain low attrition and high engagement levels
5	Community Care	Pursue themes of health, sanitation, medical care, mid-day meals Maintain engagement with the surrounding villages
6	Resource Conservation & Environmental Protection	
	Energy & Emissions	Reduction in non-renewable energy consumption Increasing renewable energy production through solar & windmills Multiple ongoing projects for improving energy efficiency across value chain
	Water	Continue conservation Rain water harvesting- groundwater recharge Plantation drive
	Waste	Reduction in total waste Bhuj plant is Zero Liquid Discharge (ZLD)
	Materials	Maintain excellent material usage levels Constant innovation in processes





BUSINESS

Creating Value



Business Sustainability

BKT as an organization believes in value creation through multiple ways. While we keep increasing the value for our investors through our impressive operational performance, we create social and environmental value on our social and environmental bottom lines.

We inherently believed since inception **that social and**

environmental values are an integral part of business sustainability in the long run. Our sustained growth as an organization through four decades would not have been possible without following this truth.

Our strong EVA is one indicator of the value we generate.

Sustainability is built into our business model and not as an add-on feature

We look at business value from the lens of sustainability and are pleased to witness that we have created a consistent movement of overall value, which is strong, robust and trustworthy, just as our products are!

Organizational Approach to key aspects of economic responsibility

Inclusiveness has been central approach to our economic performance and we have shared the fruits of our efforts with our communities, investors and employees in different ways.

Our market presence follows our approach of being a global company with local strengths. Our decision to expand beyond India right from the mid-1990 has given us an opportunity to grow on our inherent strengths.

Community care exemplifies our approach of creating indirect economic impact for our stakeholders. Our responsible sourcing and transport logistics model testify our approach to procurement. Our ethical approach to Anti-corruption stance is evident in our governance policies, code of conduct and no incidence of violation. We have detailed these aspects and impacts at relevant contexts in this report.



Certifications



Plant Certificates

Plant	Certificates
BKT-Bhuj	ISO 9001:2015 ISO 14001:2015 ISO 45001-2018 ISO 17025:200 (NABL) DSIR Registration for R&D
BKT-Chopanki	ISO 9001:2015 ISO 14001:2015 ISO 17025:200 (NABL) DSIR Registration for R&D
BKT-Bhiwadi	ISO 9001:2015 ISO 14001:2015
BKT-Waluj	ISO 9001:2015 ISO 14001:2015

Business Resilience amidst the pandemic

COVID-19 posed global risks, affecting supply chains, crunching raw materials availability, increasing costs, dislodging human resources from workplaces and shopfloors, and played havoc with many manufacturing sectors.

We navigated the tough times with courage and conviction, and grew our business without any disruptions, customer losses or delivery incompletions. All our projects were completed.

Our strengths in product excellence, technological prowess, people engagement, trusting relationship with our supply chain partners and our quick move into the digital mode—all these crucial factors worked together to mitigate the risks well, ensured business continuity and produced positive results in a negative external scenario.

We are confident that our set of strengths would stand us on a positive ground in times to come, despite the global challenges ahead.

Outlook

Having delivered impressive results in the pandemic situation, our outlook is confident for FY 2021-22, with Covid-specific learnings and commitment of our people intact in our armour.

We have discovered that we are able to work productively in a crisis situation, and confident that we are able to deal with any further possible challenges that 2021-22 may pose in terms of additional Covid waves, if any.

We believe that as a world experiencing a new normal, we are all heading towards a post covid recovery period sooner or later, and at BKT, we hold an optimistic outlook for the world, our industry, and our business in particular. We would ensure FY 2021-22 to be brighter year.



Product Performance



BKT approaches product performance as the final test of the market success and as a testimony to our expertise and leadership. Technology plays a great strategic lever in this approach, as do research, innovation, production excellence and expert workforce. Our stringent quality control systems ensure highest standards of performance. It is evident from our continued record of customer loyalty, no product recalls and no customer attrition.

Leadership Position

We are leaders in world-class quality products which embed sustainability and customization based on top of the line technology.

BKT is a Off-Highway manufacturing company which offers a wide array of ~2800 SKUs for customers to choose from.

Customization has reached a remarkable level with us—a result of constant customer research, technology innovation, process excellence and result-based confidence.

The products cater to vehicles operating in agricultural, industrial, earthmoving, mining, port, ATV, and gardening applications.

Customization is essential for our industry: every market and application has unique conditions in which the machines operate and hence have specific needs from the tires. The type of customer's business, the soil or terrain on which work is undertaken, the machinery used, the weight being transported and several other variables go into defining product specifications required. A tire which is not perfect for these variables shortens the life cycle of the product, thus affecting the sustainability of the customer's business.

Our wide range of product variants and SKUs prevents such concerns and enables customers to choose just as per their specific requirements.

USP of our products

- ▶ **Highest quality standards**
- ▶ **REACH compliant**
- ▶ **Lowest market rejections (~0.35%)**
- ▶ **Highest customization levels: ~2800 SKUs to choose from**
- ▶ **Sustainable life cycles**
- ▶ **Sustainable processes embedded**
- ▶ **80-100 new tire sizes introduced each year**
- ▶ **Short production cycles**
- ▶ **Produced by highly skilled, long-serving workforce**
- ▶ **Premium range, commanding customer trust**



Outlook

- Operational excellence to ensure product quality through structural changes across product life cycles by establishing vital linkages between product development, quality and manufacturing
- Robust quality systems

Agricultural tires



Industrial & Construction tires



OTR tires



Customer Satisfaction

An ear to the ground to listen to the customer and the heart to delight in their satisfaction have been a part of who we are at BKT, since inception.

The seeds of customer research were sown into our model in earliest times when we manufactured two wheeler tires. Our leaders personally reached out to two/three wheeler users to enquire, listen to and understand their issues and requirements.

Connecting with customers became a tradition with us since then and enabled us to come up with new and innovative processes and products.

Our range of diversification in the tire market and its proven success was possible because customer research was always our starting point.

Customer inputs is the crux of product development:

We encourage our customers to share ideas, suggest solutions through a preferential and dedicated communication channel. Customer meets, workshops, exhibitions, product advertising campaigns, corporate print and TV campaigns, bulletins and news and one-on-one interactions etc. form a web of customer connect points for constant customer inputs. The network includes importers and distributors, resellers, repair shops and the users of the tires themselves.

All this is done not merely as a matter of growing our business but with the **spirit of Growing Together**: When we listen to feedback and cater to the minute needs, the whole distribution chain wins and grows.

Customer research at BKT links seamlessly with technology, R&D, innovation and manufacturing processes, enabling production of highly customized range of SKUs.

We witness a high level of customer satisfaction.

Customer satisfaction surveys we conduct and analyze regularly indicate happy customers constantly.

Satisfaction measured on a five point scale is reviewed in Management Review Meetings, and we act on areas of improvement.

BKT Europe, our subsidiary in Italy, have dedicated a large area of the office complex to "customer experience" called **BKT Space** where the visiting customers get a guided tour with glimpse of BKT, a virtual tour of our manufacturing plants with Virtual Reality (VR equipment) the corporate philosophy, audio-visual sections on various brand building measures, etc. It strengthens our customer trust and experience further and augurs well for customer loyalty.

- ▶ No product recalls so far in the history of BKT
- ▶ No customer attrition experienced in the reporting year

Outlook

- Development of a large base of SKUs to meet contemporary diverse needs and applications.
- Provide world-class quality products.

Visiting Customer Voices

Efficient and seamless management style. Good quality control. I have faith in the quality of your products. Good job.

Simeon O Nyokindi (Kenya)

Very impressed with the quality and testing controls. Great products made by great people.

Jim Caldwell (Canada)

Extremely delighted to watch the world class facilities in the plant for manufacturing. The systems followed in terms of manufacturing, R&D, quality checks and safety are of high standards which give us the confidence that our organization's requirement would be met with ease. We wish BKT a great success.

YGK Murthy (Singareni Collieries Co. Ltd., India)

Extremely impressed and highly motivated to grow a visionary and customer focused brand in the long term in France. Sustainable growth and passion are our values. We will grow together.

Ivancich Fredric (Agriest, France)

Very impressed with the plant upkeep and the latest technology adoption. Look forward to the bright prospects between HZL and BKT.

Amrita Singh (Hindustan Zinc Ltd., India)

Pioneering Technology



Technology with its innovation and executional excellence capability forms the central enabler and driver of all our success w.r.t. product performance and market success.

We approach technology with a learning mind-set. Our strategy emphasizes on technology for customers' contextual needs and aligning R&D, innovation

and production processes towards the objective.

The high level of customization, the quality performance of products, sustainable life cycle of the products, the market leadership and customer trust are evidences of our technology leadership and its impact.



Technology Leadership

Technology is a possession of pride for BKT. It is our central lever for success with our product, customers, and the value creation journey.

We take delight in pioneering technology.

Our historical milestones in the diversification and customization journey were the outcomes of our spirit for taking up new challenges, deploying new technologies and processes.

Our journey started with 2/3 wheeler tires, moving to bias tires and agricultural tires in the nineties. Radial tires for agriculture came in 2004-05, and then came the bias and radial mining tires in 2009. Radial tires met bigger size and scale by 2014. We now produce the biggest off-highway tires in the industry.

This is a story of diverse drivers coming together on the fulcrum of technology leadership, which along with executional excellence, has explored uncharted territories constantly.



We have garnered quite a few firsts in technology

- Our Dombivili mould plant was a first of its kind in India in the tire industry when set up in the year 2004.
- We were the first Company in India to manufacture All Steel Radial OTR tires.
- In the All Steel radial segment (OTR) we make Giant and Super Giant tires at our state-of-the-art Bhuj factory.
- All our ~2800 SKUs are based on indigenous technology: no external collaborations.
- The plant at Bhuj has a modern test track in an area of 25 acres (2.5kms long – one of the longest in the world) to check the performance of the tires and driving comfort on a range of standard to bumpy road surfaces.

The kind of modernization we have taken up of our plants, with automation and high tech infrastructure is a technological feat often appreciated by our visiting customers.

Our high degree of customization, fast production time, capability for new product development, short production cycles are all the outcomes of our technology leadership which in turn links to other domains: innovation, R&D, process excellence, execution capabilities and expert talent force.



Special features of our technology leadership:

- ▶ Customer-centric approach to technology
- ▶ Innovation across the value chain
- ▶ Customization: Widest range of SKUs: ~2800
- ▶ All the SKUs with indigenous technology.
- ▶ New product development capability: 80-100 new sizes each year
- ▶ Ability to develop new sizes in minimum time
- ▶ High life cycle of our products



Constant Cutting Edge

Daring to tread untrodden paths

Our shift from two wheeler tires to off highway tires, our expansions from bias tires to radial tires and further expansion within the categories were all due to our spirit of experimentation, adventure and innovation.

We were the first in India to explore needs of the market outside, bring in the needs of foreign customers and establish the technologies to produce new types of products with world class quality standards and fulfill the needs of those diverse markets...

In the early 1990's BKT has been a very well-established brand for 2-3 wheeler tires and enjoyed the status of a market leader in India.

In the mid 1990's our customer market research went beyond India. We explored opportunities and started on a path of expanding beyond boundaries for yet another range of products: industrial tires, agricultural tires, mining tires—of bias and radial categories came out of this exploratory path, in **an evolutionary manner**.

The decision to cater to international markets led us to **special competencies unknown in India until then**. It took us on an untrodden path on a fast track, which, when we now look back on, have proved to be our path to success of a lasting kind—The path of Off-Highway Tires, where we now strive to be market leaders!

Executorial Excellence

Technology is nothing without executorial excellence. BKT has built a strong muscle in execution to match the technological prowess we have. While we leverage automation for accuracy, it is also true that we employ a large size of manpower too (as compared to our industry). The high level of customization does require large manpower despite automation. Thus it is a combination of right manpower and automation that drives our operational excellence in execution.

Coupled with it are the efficiency of the process design, the high safety standards followed, optimized materials management, and most importantly, excellent employee engagement.

Each of these components which make up executorial excellence is detailed out elsewhere – in different chapters – in this report.

This is the story of how customer research, spirit of exploration into unknown territories, innovation, execution, technological prowess and highly engaged expert employees have all seamlessly come together, time and again at BKT, keeping us on the frontiers of technology and markets.

Research & Development

All our products are based on indigenous technology. Our strength in R&D is what makes this possible.

Our R&D is committed to state of the art technology. BKT deploys all its know-how, a result of R&D to develop new projects, products and processes.

State-of-the-art: The Bhuj plant is a modern industrial complex with a great infrastructure, including the



Research and Development Center, meant for new products and solutions. Officially opened in 2015 on an area of over 300 acres, it is equipped with avant-garde production machinery and structures powered by an onsite captive power plant.

Retaining our product and services supremacy needs adoption of best global processes and practices. Cutting edge projects in Product Design and Development, new Technology adoption, Manufacturing Automation, Digitization are all constant endeavors at BKT—all of which are strengthened by our R&D.

Rubber Technology Center at IIT Kharagpur:

With the aid of the Ministry of Education, Government of India, the Centre was established under the Colombo Plan (UK Government) and Technical Collaboration mission (USA Government). The Centre conducts major sponsored research projects. BKT is glad to be one of the sponsors.

Technology & Sustainability

Making a tire responsibly is a mantra which insists on us following efficient processes with no/minimum wastage. With material yield ratio of 1: 1, we ensure **material sustainability**.

Product at the end user's site needs elements of sustainability integrated into its very life cycle. Inferior customization and other factors of inefficiency can adversely affect the life cycle, thus necessitating frequent replacement. On the other hand, accurate customization and high quality standards and durability of the tire can make the product last longer with **a longer life cycle** thus adding to the sustainability of customers' business.

BKT adopts the approach of not only **sustainability integration in its own business but by enabling sustainable business for its customers** through products with extended life cycles. Ensuring product quality through structural changes across product life cycles by establishing vital linkages between product design, development, quality and manufacturing is the way we adopt, along with high-end R&D and innovation.

- ▶ Our radial agricultural tires have been designed to offer 20% enhancement of life cycles to our customers in agriculture sector in the last few years

Engineering amidst Covid

The pandemic brought in a bunch of constraints for making large tires at our Bhuj location. Lack of supplies and specific talent for the task posed a threat in the Covid-ridden context.

We leveraged in-house talent and deployed our virtual prowess. We hired new engineers right amidst Covid (our recruitments went up during the pandemic in fact), and produced exactly the types and volumes of large tires needed to meet our customer requirements. We recognised and rewarded the ninety geeks who finished our challenging project in record nine months.

FY 2020-21 was indeed a year of rediscovering our innovation potential and the passionate drive and grit of our people – our true treasures behind our resilience.



Outlook

- Ensure Development and Manufacture of new products for varied applications required for Global and Domestic Markets
- Development of Earthmovers and Mining Tires
- Continued focus on R&D, shift from Bias to Radial Tires and operational excellence

Pioneers In Technology

○ Spirit of Exploration

○ Customer Research

○ Indigenous Innovation/R&D

○ Efficiency in Processes

○ Executional Excellence

○ Sustainability Embedded

○ Highly Engaged, Specialist Talent-force



THE ENVIRONMENT

Caring for the Planet

Policy & Awards

Balkrishna Industries Ltd. hold the preservation of the planet as a part of its responsibility. Believers in the Precautionary Principle, we consider it our self responsibility to conserve environmental resources for sustainable development, and undertake all possible steps—right from our business model to product design to operations.

Embedded sustainability: The way we care for the environment starts from the way we design for and extend the sustainability of our products (tire life cycle enhancements), efficient use of materials (1:1 material input: output ratio), logistics planning for reducing the carbon footprint of cargo, R&D and cutting edge technology to boost sustainability. These endeavors are detailed in other chapters of this report.

Direct initiatives in planetary care take the form of energy conservation, emissions control, water efficiency, waste management and materials management—the details of which are shared in this section.

Environmental policy



Awards & Recognitions



The Indian Government has recognized BKT with the National Energy Conservation Award for three years.



Platinum Level Quality Award from CATERPILLAR : June 2020



Resource Conservation & Environmental Protection

Energy & Emissions

We set up our windmill way back in 2004 in Rajasthan in order to adopt a green way of producing the energy for our operations. It is an indication of our commitment to green energy since a long time, which has grown over the years.

Our windfarm with 5MW capacity feeds the Bhiwadi Plant. Our renewable energy performance and objectives are further strengthened by our solar plant in Bhuj and Chopanki.

Solar Energy operational with 1MW capacity in Bhuj and 1MW in Chopanki

BKT's future plans aim to enhance the capacity to 5.5MW, by including other locations in the solar plan.

Wind Energy - in Jaisalmer, Rajasthan: 5MW feeds Bhiwadi location.

We adopt a green approach to our energy consumption. Our strategy of continuous improvement (Kaizen) is what enables us to progress on achieving energy efficiency, and our periodic tracking systems bring the needed governance to monitor our performance.



Clean Technology

Emissions reduction forms a key part of our agenda, where clean tech mechanisms play a huge role.

A suite of clean tech solutions have helped us obtain considerable savings, especially in the last 5—10 years.

Key impacts

- ▶ All Air emission values from all plants are well within the consent parameters as laid down by state pollution control boards
- ▶ Air emissions are reduced by introduction of gas fired boilers in place of coal fired boilers at Bhiwadi and Chopanki Plants

Some of our recent initiatives in energy and emission reductions are:

Introducing VFD (Variable Frequency Drive) mechanisms on the main engines controlled frequency and voltage and reduced energy consumption.

Monitoring the compression system to check for any air leaks enabled efficiency.

We installed gas fired boilers in 2 plants (Bhiwadi & Chopanki) to commit to save environment further.



Green Belts through Tree Plantations

BKT is a strong believer in enhancing the green cover in the semi-arid regions it operates. Tree plantation is the need of the hour in order to combat climate change and multiple related issues. The arid regions in which we operate need greening in particular, at the same time posing a steeper challenge in the process of planting, growing and ensuring the survival of the trees.



Our intent of providing a green cover in the area took birth when we set up our Chopanki and Bhiwadi plants. We managed to create a green belt around each of these plants.

Bhuj Plant	2018-19	2019-20	2020-21
Green belt area in Sq.Mtr.	3,63,727	4,13,227	416,137
No. of Trees Planted	28,770	41,145	44,574

Scaling up the greening intent

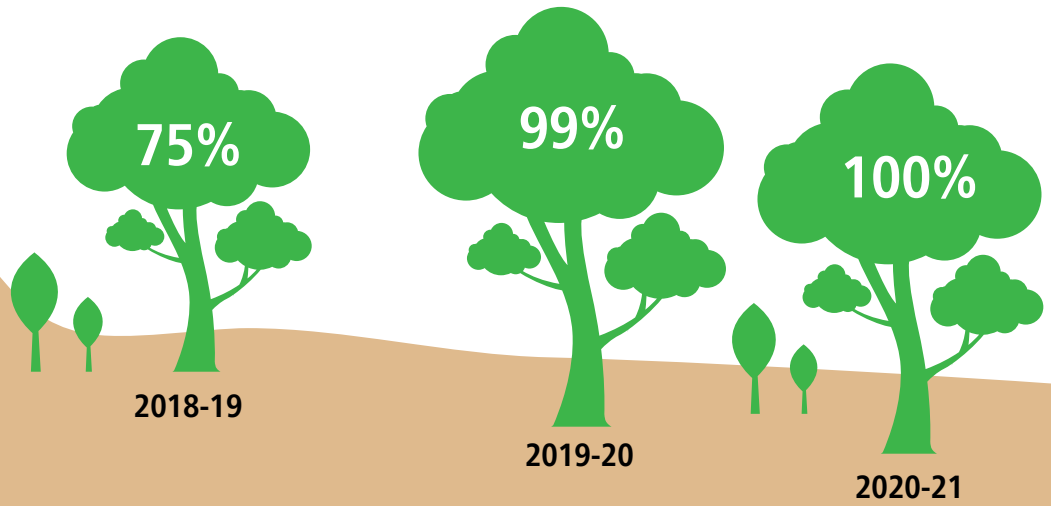
When we set up our plant at Bhuj, Gujarat, we were determined to undertake greening on a much bigger magnitude. The large area inside the premises gave us a huge opportunity. We planted 44,574 trees, additional shrubs and grass at Bhuj, covering 416,137 square meter inside the plant premises and 10,000 square meter outside as well.

Endangered species such as the Indian Python, Bengal Monitor Lizard, Desert Cat, Indian Peafowl and various other birds such as the House Crow, Pigeon, Red-Vented Bulbul, Asian Koel and Jungle Babbler have found their habitat amidst our surroundings now, thanks to the massive scale of our plantation project.



Impact of the greening

Percentage of Survival of trees



33%

of the area greened at Bhuj location, as a result of our tree plantation.



Project Smriti Van

As a part of Smriti Van project at Bhujio Dungar, Bhuj, as a tribute to the memory of the victims of 2001 Kutch Earthquake, we have planted and currently maintain 20 acre out of total 120 acres of the project. 6,400 plants such as the Neem Tree, Borsali, Rain Tree, Delta forum, Parasol, Tamarind, etc. have been planted and are maintained by us.



Project with CESVI

In an ongoing collaboration with CESVI, (an Italian non-profit organization), we plant, preserve and protect 350 trees in the endangered Amazon region of South America.

Project Go-Green

This internal initiative in emission management and green commuting provides 130 bicycles and nine bicycle stands for employees to travel within the Bhuj factory premises in an efficient, healthy and environment-friendly manner.



Logistics Planning for emission reduction

Reverse logistic model:

When Carbon is transported from Bhuj to Bhiwadi / Chopanki & Waluj, in return, either export cargo or tires for consolidation warehouse is transported back.

- ▶ **Impact:** The vehicle use is optimized and emissions are contained.

Location: Location of Bhuj plant is strategically chosen to be close to the Mundra port (75 kms) so that the travel distance in inbound (Import of Raw materials) & outbound (Export of Tires) transportations in both cases is reduced significantly, as compared to existing BKT plants in North India (approx. 1100 kms).

Bhuj Plant produced 45.54% of overall BKT production in 2020-21.

- ▶ **Impact:** Transportation reduced by almost half thereby reducing the carbon footprint.

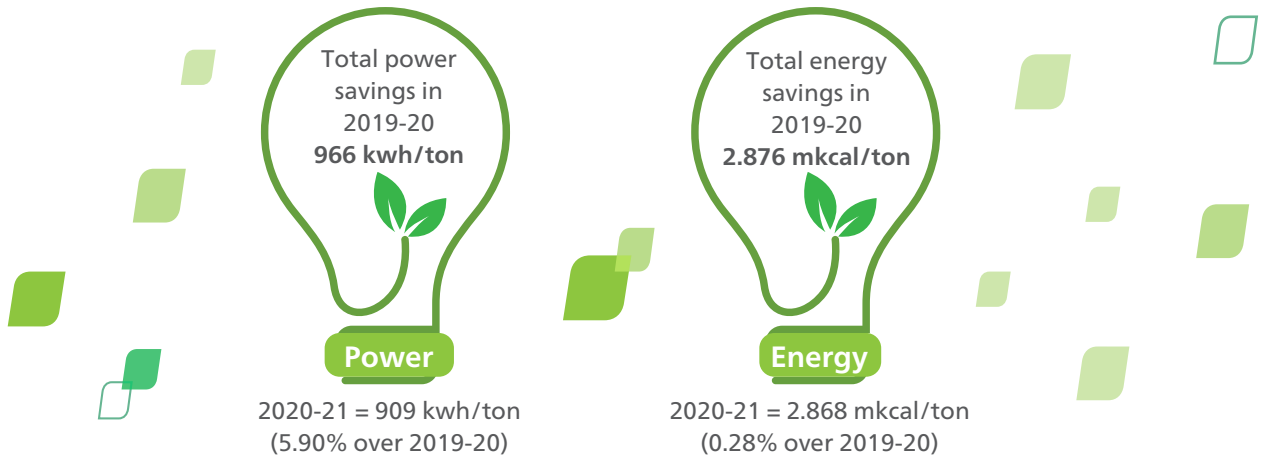
Choice of mode: BKT has been consistently increasing transport by railways, which is less emission-prone than road transport.

34.64 % Export cargo was transported by rail in 2019-20, up from 31.56% in 2017. We took it to 44.77% in 2020-21.

- ▶ **Impact:** Adoption of less emission-prone transport thereby reducing carbon footprint.



Energy & Power savings



Shift from Pet Coke to Coal and Furnace Oil to LDO



We have started using Indonesian Coal in place of pet coke. Coal Based Boiler has less temperature, hence, less damage to piping's & furnace surface i.e., low maintenance cost.

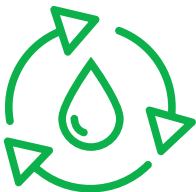
- ▶ Indonesian Coal has Sulphur content of 0.66% vs. Pet coke which has 7%.
- ▶ We also use LDO (Light Diesel Oil) in place of furnace oil.
- ▶ LDO has a Sulphur content of 1.8% vs. Furnace Oil which has 3%.



Conserving Water



Water Management at Our Plants



We consume ground water for process water application in few plants. We consider it our responsibility to reduce ground water extraction and recharge ground water to avoid water table depletion.

Reduce- Reuse-Recycle-Recharge

Consumption reduction is an ongoing effort at BKT.

- ▶ Our water consumption has been going down over the years despite the rise in the scale of our operations.

Our rain water harvesting systems play a great role in reducing our ground water withdrawal.

The ETPs and STPs across the plants, two large water reservoirs at Bhuj form our key infrastructure for water conservation.

Our Bhuj plant is zero liquid discharge plant, with no water/effluent discharged out of the premises.

- ▶ In our Captive Power Plant at Bhuj, we replaced Water Cooling system with Air Cooling system at existing

Turbine set up. This helped us in reduction in fresh water consumption of quantity in the range of 800 to 1,100 KLD. This has also reduced load on water treatment plant and waste water treatment plant.

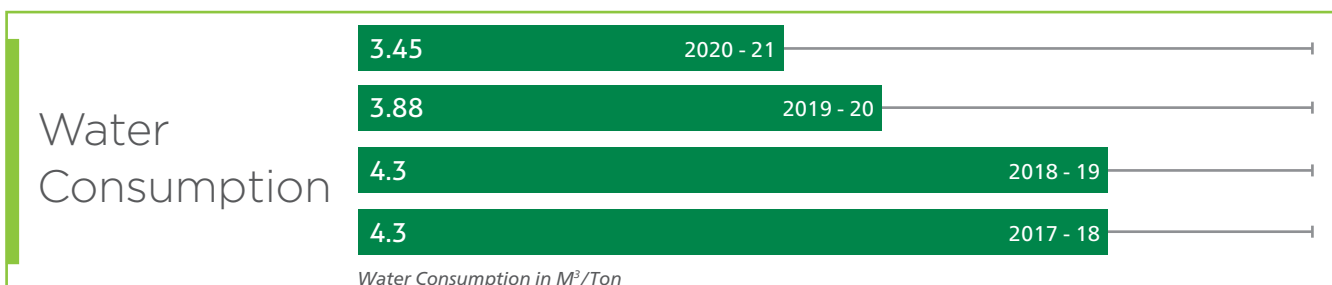
At Bhuj, the tree plantation by us both within plant premises and residential colony is nurtured by the treated water.

Rainwater harvesting ponds are constructed within the plant to conserve rainwater to the tune of 56,700 cubic meter/ Annum and started rain water utilization @ 140 KLD, which is 2.5% of total water demand.

- ▶ Rainwater harvesting pond has now turned into a boon for the water living species like Stork (Bagula), Fish, etc.

Our water conservation projects include, for example, reducing the use of water in all manufacturing stages with an eye on reducing water intensive processes.

Areas such as Flash steam recovery utilization, Solid plant flash steam recovery, Insulation surface temp audit, heat recovery and many more have undergone our scrutiny and have benefited in terms of reduction of water requirements.



We approach water management with an intent to conserve the resource precious in the dry, semi-arid areas we operate in. Water stewardship is of strategic significance to us. Strategies of Reduce- Reuse-Recycle-Recharge, coupled with innovation in processes is what enables us to conserve water. Our consumption tracking mechanisms enable us to be prudent in the usage of this critical resource.

Water for the communities

Our care and concern for conserving water in these arid lands have extended not only for our own operations but to the needs of the surrounding villages as well:

At Bhiwadi and Chopanki, we have taken the initiative to enlarge the ponds for the villagers to benefit from.

We carried out extended Rainwater conservation activities outside of premises by deepening seven ponds in nearby villages under Sujlam Saflam Jal Sanchay Abhiyan 2019, an initiative of Gujarat State Government.

Installation of Filter with Cooling Tower further reduces water consumption.

Rainwater is recharged by diverting to underlying harvesting pond and allow it to freely percolate for groundwater recharge.



Storm water usage at Chopanki plant

BKT has installed three rain water harvesting systems in Chopanki plant and one in Chopanki Warehouse.

Our Chopanki Plant is moving one step further in order to use storm water by:

- * Collection of rooftop water and its usage for process after filtration and
- * Installation of one additional RainWater Harvesting System
- ▶ We have witnessed reduction in ground water extraction and recharge of the water table.

Water consumption savings per annum

2019-20 = 3.88 m3/ton

2020-21 = 3.45 m3/ton (11.08% over 2019-20)



STP water re-used at Waluj

The project aimed at utilization of STP treated water for saving fresh water consumption.

We had one unused old RO treatment plant available through which we started treating the STP treated water and utilized 5 M³ as boiler feed water and 6 M³ for flush in toilets.

- ▶ We saved 11 M³/Day water which otherwise would have been discharged to CETP.
- ▶ WATER SAVED 330 M³/Month.

Future Initiatives of resource conservation by BKT

- ▶ Re-use of flue gas condensing water at process cooling tower for water saving.
- ▶ Installation of new ultra-filtration plant to utilize trench wastewater in process cooling.
- ▶ Recovery of storm trench & use in ETP.
- ▶ Providing of STP treated water ipo, portable water in all plants.



Managing Waste



We approach waste management as a responsibility towards the environment. Our goal is simple: no waste should go out of our premises. We have put in place checks and balances to meet the goal. The outcomes are evident in our zero discharge plants and no landfill sites.

Initiatives

We are aware of the potential negative impacts that can be caused by manufacturing organizations, and we commit to mitigate the risks by prudent waste management practices. A business like ours can be vulnerable to many possibilities of waste generation, and it is our endeavor to scrutinize all such possibilities and mitigate the risks of increasing waste with increasing scale of operations.

- ▶ We transport our products in what is called 'naked condition' in our industry: without external, superfluous packaging that contributes to waste elsewhere at the customer site.
- ▶ Our waste generation metric is at the lowest rung: 7.7 kg/MT of process waste.
- ▶ Generated waste is completely recycled — except hazardous waste which gets disposed off responsibly as per the norms, and zero landfill status has been achieved at all plants.
- ▶ We not only recycle our waste but also go a step beyond and audit our recyclers to check for final conversion into usable products and no landfill dump from their end.

Waste management is a constantly evolving process. Rubberized fabric scrap increased in the year 2017-18 & 2018-19 mainly due to change of product mix and developmental activities (Bhuj, Bhiwadi and Chopanki). Compound scrap is high mainly from Bhuj plant due to developmental activities. However, we have taken a few measures to bring it under control.

BKT is looking at further reducing the waste generation levels in the coming years.

Cured tire scrap on the decline at Bhiwadi location

A careful root cause analysis of the cured tire scrap led us to the diagnosis of the problem, and we employed a multipronged strategy to address the scrap issue.

We held daily review meetings and methodically applied strategies to plug the challenges in separation, deep impression, (bladder) leakage, moulding, etc.

- ▶ Cured tire scrap waste came down from 0.29% to 0.09% in three years.



Materials Management



We believe materials management contributes to smart business as well as planetary resource conservation. We approach the imperative with the lens of efficiency. Strategic planning of right vendors, right material, right measuring and right usage enables us to achieve desired efficiency. Our monitoring system tracks our performance constantly. The outcome we achieve is evident in the excellent materials yield ratio.

Materials management is a topic central to our production and processes. Efficiency in this area is a mark of smart business as well as responsibility towards the environment.

Sustainability Practices

- ▶ In-coming stage: raw material packaging is sold back as scrap to re-sellers.
- ▶ In-process stage: we mainly use polythene for covering components/GTs/carcasses; Polythene scrap generation which we sell to the re-seller is ultimately used to make plastic granules by the re-seller.
- ▶ Final product stage: Our products are dispatched in 'naked' condition (without individual packaging). We do not use any packaging material.
- ▶ Reclaim rubber used by our Company is at 0.021 MT/MT of cured tire.
- ▶ Our R&D is constantly researching on newer materials enhancing sustainability of our product.

Our procurement draws from both domestic and international sources and the proportion varies across categories. While we have 100+ suppliers across the globe, 27 key suppliers (global and domestic) meet more than 80% of our requirements. Our spend on the domestic suppliers stands at 40% of the overall purchase in FY2020-21

Efficiency in Materials Consumption

Impact:

- ▶ Our yield ratio stands at an unparalleled level of 1:1, with 99% efficiency/accuracy. This implies maximum material usage efficiency and no wastage.

As endorsers of the precautionary principle, it is our duty to go beyond compliance, water-energy-emission-waste managements and take an inward look at our material consumption and reduce the wastage therein.

The way we do this is by focusing on our **yield ratio— between material input and output**. The more balanced the ratio, the better the material usage.

The factors which make us achieve this remarkable level of efficiency:

- ▶ Our vendor screening and the standards we insist to ensure high quality of supply. Our quality control ensures no deviations (MSDS standards).
- ▶ We have optimized the art of material handling and brought in systems and methods to bring in efficiency at every stage.

▶ While human talent and expertise is required and deployed at various stages of creative/expert tasks, we have deployed automation to bring in exactness and accuracy to processes such as weighing of ingredients of a recipe mix as we call it.

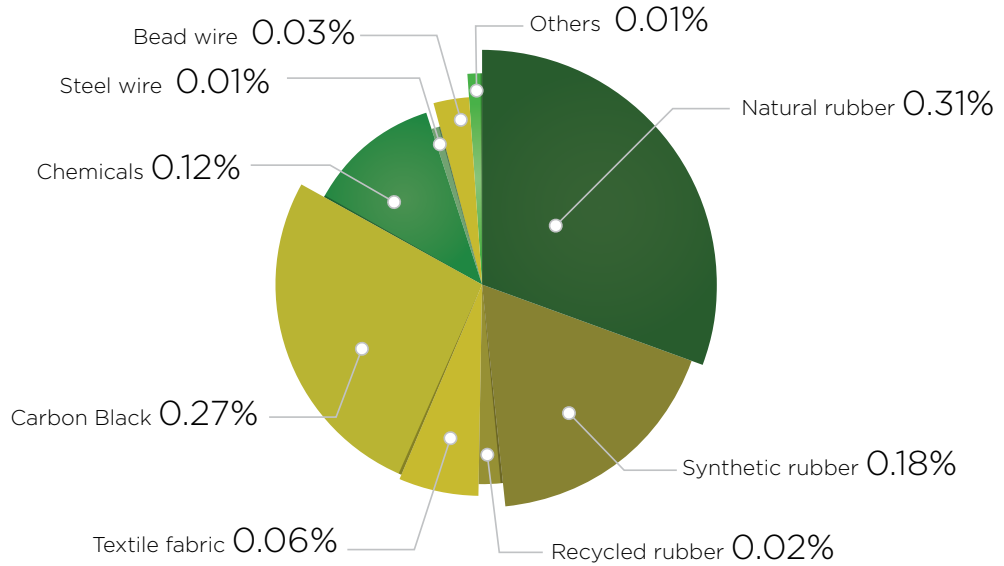
▶ We constantly modernize our plants, and the plans always include processes and automation to materials flow optimization.

▶ Our talent-force constantly thinks about material management efficiencies and brings in constant improvements.

Thus, a combination of expert minds and due automation is what drives our shop floors to produce excellent results in terms of materials management.



MATERIAL INPUT FOR FY 2020-21 in PERCENTAGE



New materials

Our Research and Development department studies and tests raw materials periodically in pursuit of our intent of moving towards natural, chemical-free components, such as dandelion, nanocellulose, and graphene.

The development of new materials is an extremely strategic capability in our industry, and we are in the process of developing and deploying newer materials (nanocomposites) in the near future, as a part of our avant-garde technology outcomes.



Outlook

- ① Safety, Health and Environment Policy
- ① ISO 14001 certification across locations
- ① Energy conservation and efficiency
- ① Improvement projects and Yield improvement projects
- ① Investment in digitization and automation initiatives
- ① Plantations
- ① Reuse and Recycle of Waste
- ① Seamless Supply Chain

A case in Sustainable innovation

Reuse of process scrap

Rubberized friction compound (Granulated friction cord)

This is a story of using a scrap by-product of a manufacturing process to recycle back to the product as a refurbished raw material.

In a tire manufacturing scenario such as ours, calendering and the subsequent tire manufacturing processes generate textile fabric scrap.

Our in-house innovative process uses this fabric scrap to manufacture rubberised friction compound, which is re-used as a raw material in the product.

It is essentially re-cycled (since it comes from the fabric scarp), un-vulcanised rubber coated nylon / polyester tire cord fabric.

The scrap coated fabric is chopped and granulated to get the desired cord length and then compressed in bale form for ease of handling.

We have found that granulated friction cord is greatly beneficial to improve strength and stiffness of tire components, to suit specific applications.

This innovation has proved to be an environment friendly, cost effective, in-house recycling accomplishment at BKT, with sustainability outcomes.

We have started using this material in selected categories of our solid tires.

- ▶ We have produced and used 34927.24 kg (35 MT) of this recycled material in 2020-21.

Sustainability Stories from Our Plants

At our Bhiwadi plant

Transition to green fuel

Our CO₂ emission from coal fueled boiler was at 23,370 tons in 2020-21.

BKT decided to replace coal based boilers with gas fired boilers. The intent was to reduce CO₂ and also other emissions. (Low emission: SO_x <20, No_x<50, SPM<50)

Our team undertook training to ensure and implement the shift. The training involved steps such as basic operation and troubleshooting, mmajor breakdown analysis, fault-finding in day-to-day operation, water analysis and corrections, flow line diagram of boiler and

burner sequence, and calculation of boiler efficiency.

The highly efficient gas boilers produced satisfactory sustainability outcomes in 2020-21.

- ▶ Reduction in coal consumption by 3090 Ton.
- ▶ Electricity saving: 2.63 L Kwh.
- ▶ Cost saving: Rs. 21 lakh.
- ▶ Reduced emission by 4,771 Ton of CO₂.
- ▶ Noise level reduced during operation by 12 db.



Parameters	COAL BOILER	GAS BOILER
	2019-20	2020-21
SPM	247	4
Sox	171	28
Nox	254	20



Resizing the pumps for better energy efficiency

Energy saved is energy produced!

Pump resizing was an engineering feat of our in-house team which took the challenge to develop an energy efficient solution in cold water system. The development led to an additional benefit of an improvement in the process quality of curing too.

Our plant-level energy-mapping initiative led to identifying interventions for power efficiency. Further, pumps resizing exercise found the cold water supply pump to be an inefficient tool, since it consumed 35% power.

We resized it from 45 kw to 37 kw energy efficient pump. Further, to avoid wastage through excess flow, we installed a VFD to control the speed as per the process requirement and to save energy thereby.

Sustainability outcomes

- ▶ Saving in electricity consumption- 1.9 Lac / annum.
- ▶ Monetary saving Rs.15.00 Lac.
- ▶ Contributed to reducing carbon foot print: 171 MT/ annum.

Process innovation for energy and quality: Shift from air blowers to sponge rolls.

Our products require the moisture content to be totally removed from them, and we use air blowers for the purpose.

Our analysis showed that our air blowers lead to high power consumption without ensuring 100% water evaporation.

Our inhouse innovation streak kicked in and came up with an alternative and innovative solution: of replacing the air blowers with cloth or sponge rolls.

We developed a sponge roll assembly, tested it, piloted it and finally implemented it on the hot feed extruder.

Sustainability outcomes

- ▶ Power consumption for drying reduced to zero.
- ▶ No moisture carry-over in the product.
- ▶ Electrical energy saved: 1.17 lac Kwh / annum.
- ▶ Monetary saving: Rs.9.40 Lac.
- ▶ Contributes in reducing carbon foot print: 105.5 MT/annum.
- ▶ Silent operation, hence no noise pollution.

At our Chopanki plant

In-house innovation reduces operator fatigue

Our CO₂ emission from coal fueled boiler was at 23,370 Our plant at Chopanki faced heavy operator fatigue : our and operators were getting tired due to frequent rubber bale lifting and loading on the conveyer.

We ensured lifting tackles to reduce the fatigue of the operator. Our team designed an in-house mechanization device for the purpose.

Sustainability outcomes

- ▶ Increase in machine up time.
- ▶ Reduction in operator's fatigue. Moral boost for the operator.

Process optimization

We looked at productivity improvement of the mixer to reduce idle time during mixing.

We reviewed mixing cycle time and reduced drop door holding (dwell) time from 18sec to 10 sec, thus increasing productive time.

Sustainability outcomes

- ▶ Energy savings: 53280 Kwh / annum.
- ▶ Monetary savings: 3.82 lac/annum.
- ▶ Productivity increased.
- ▶ Reduced CO₂ emissions.



Reduction in compressed air consumption

We noticed the running hours of our process air compressor were high.

Our team implemented daily monitoring and arrest of air leakages and improvement in fitting quality for zero air leakages.

Sustainability outcomes

- ▶ Energy saved: 11298 Kwh / annum.
- ▶ Monetary saving: 0.81 lac/annum.

Minimizing waste & idle run by automation

For the elimination of idle running of machine/ auxiliaries, we provided interlocks and sensors for machine stoppage, if machine was idle for more than specified time. By this mechanism, machine/auxiliaries stops automatically if running idle. This idea was implemented on material shifting conveyors, mills and mixers.

Sustainability outcomes

- ▶ Energy saved: 124130 Kwh / annum.
- ▶ Monetary saving: Rs.8.90 lac/annum.

Energy Efficient Motor & VFD

The mixer is a heavy power consuming machine in a tire industry. There were 2x750KW DC main motor which had not only heavy power consumption but also frequent failures.

We replaced the 2x750 DC motor and DC drives with 1x1500 KW, 3.3KV AC motor and VFD. This was a heavy monetary investment into the future which would pay us back across years.

Sustainability outcomes

- ▶ Energy saving: 196000 Kwh/annum.
- ▶ Monetary saving :13.42 Lac/annum.
- ▶ Multiple benefits of reduced frequency of motor failure/break down.
- ▶ CO₂ emissions reduced.

Letting the sun in

Use of electrical lighting at carbon floor for lighting was re-examined and we considered sun light instead. Switching off light at day time would save energy.

We fixed transparent sheets on the roofs and enabled sun light to pour through to our shop floor, thus replacing electrical lighting during daytime.

Sustainability outcomes

- ▶ Energy savings: 3150 Kwh/annum.
- ▶ Monetary savings: 0.21 lac/annum.

Waste heat recovery

High steam consumption due to heat wasted in drain process was an issue.

We explored the possibility of waste heat recovery from drain water to reduce fuel consumption.

A de-aerator and associated pumps were installed, and flash steam was recovered from the drain water.

Sustainability outcomes

- ▶ Energy saved: 49000 SCM/annum.
- ▶ Monetary benefit: 20 Lac/annum.
- ▶ Long term reduction of PNG consumption at gas boiler.

Flash Steam Collection

The dome steam was going to the drain after cure cycle gets completed. We were intent on the recovery of waste heat and flash steam in order to reduce steam consumption.

Our team installed separate piston valve at tire curing presses to collect flash steam for a pre-determined time. The steam is used to heat boiler feed water thus reducing requirement of live steam for heating.

Sustainability outcomes

- ▶ Energy saving: 245000 SCM/annum.
- ▶ Monetary benefit: 100 Lac/annum.
- ▶ Reduction in PNG consumption.
- ▶ Steam consumption reduced :11 Ton.
- ▶ Gas consumption reduced :780 SCM/day.

At our Bhuj plant



Water conservation

We installed a **side stream filter** in CT to reduce the TSS.

A de-aerator and associated pumps were installed, and flash steam was recovered from the drain water.

- ▶ Reduced process water suspended particle.
- ▶ Water consumption reduced by 1400 KL/year.

Water consumption was high in our air washer units due to manual operation of valves and frequent water overflow.

We installed **auto make up control valve**, based on the tank level.

- ▶ Reduced the water consumption up to/by 1,650 KL/year.



Energy saving

16 numbers 400 watt LEDs were installed, and 65 KWH/Day HPSV lights were replaced with LED in High Mast.

- ▶ Energy savings approx. 95 KWH/day.

Frequency reduced from 50 Hz to 35 Hz in **four air washers**, and the operation controlled as per requirements.

- ▶ Energy consumption reduced to 19300 KWH/day.

We installed VFD in the compressor, energy consumption reduced to 2000 KWH/day.

- ▶ Saved approx. 240 KWH/day.

Temperature sensor controller installed in the cooling tower fan motor.

- ▶ Saved approx. 230 KWH/day.

Timer installed in canteen air blower.

- ▶ Saved approx. 50 KWH/day.

Our 1X15 HP centrifugal fan replaced with **2X4.7 HP direct coupled & inbuilt VFD operated EC fan**

- ▶ Saved energy approx. 84 KWH/day.
- ▶ Water consumption also has been reduced by 1650 KL/year.





THE SOCIETY

Ethics and Compliance



Our approach to ethics and compliance is based on our core cultural values and strong Governance philosophy. Trusteeship, Integrity, Transparency and Accountability being paramount to us, we adopt a zero compromise stance on matters related to ethics and compliance. The systems and policies we have built to ensure adherence help us monitor closely and stay on the right side of law.



Inclusiveness

Inclusive in spirit, Balkrishna Industries Ltd. believes in creating and maintaining social value through ensuring employee wellbeing internally and community care externally. Ethics and good governance anchors the intent of social wellbeing. Given the nature of our business - health and safety is another factor to maintain the social value. For the specialist niche we operate in, talent development is yet another way to enhance the difference we make.

We have set up a Board level committee on Business Responsibility and Reporting to bring exclusive focus on responsible business and transparency.

Governance & Ethics

Our governance philosophy insists on best practices in Corporate Governance, based on trusteeship, transparency and accountability.

Our active, well-informed and independent Board brings in guidance on ethics beyond compliance.

Core values of Quality, Trust, Excellence, Innovation and Leadership are upheld by the anchor of Governance.

Organizational risk management; financial, strategic, and operational risks are well factored into our Corporate strategic planning.

Sustainability risks are factored into our responsiveness. In our business, we are aware that we must take cognizance of the challenges around talent management, talent training, external risks in the geographies we operate, risk of water scarcity, and scanty green cover in the regions, etc. Our risk management processes factor in all these challenges while looking for the opportunities for the future.

The fact that we are able to operate sustainably and thrive in a region vulnerable to earthquakes (Bhuj location being seismically sensitive zone) is a testimony to our risk assessment, mitigation and responsiveness capabilities.

Our Board of Directors and Board Committees comprise highly accomplished and expert leaders, bringing in needed direction, strategy and inspiration for responsible business practices.

*Details of our governance structure, composition, Committees are available in our annual report 2020-21, page 26 onwards. https://www.bkt-tires.com/downloads/8164/4958/Integrated%20Annual%20Report_2020-21-website.pdf

*Board Committees with details, also available at: 39 onwards https://www.bkt-tires.com/downloads/8164/4958/Integrated%20Annual%20Report_2020-21-website.pdf

* For all policies please visit and see policies under shareholder information <https://www.bkt-tires.com/en/annual-reports>

Ethics is a watch word at BKT, and permeates everything we do as an organization. Our policies on corporate ethics, labor and human rights, whistle blower & vigilance, Environment, Health & Safety and training of all people on our anti-corruption stance steers our organization to be on the ethical side of business.

Compliance

Our Compliance function ensure that all our internal and external corporate activities and plant operations are done well within the framework of applicable laws and regulations and we remain fully compliant.

BKT was the first tire manufacturing Company in India to get REACH certificate in 2009 as per EU standards. (REACH is a directive adopted by the chemicals industry to ensure the protection of human health and the environment).

ISO9001:2015 for quality management, and ISO 14001:2015 for environmental management enable BKT to be compliant as well as efficient in our operations.

All the emissions generated by BKT production are perfectly within the limits prescribed by the State Pollution Control Board (SPCB) of the Indian States we operate in, and by the Indian Central Pollution Control Board (CPCB).

While we believe in adhering to compliance both in letter and spirit, **we also believe in being our own benchmark**, which enables us to uphold our conduct at high standards and build an internal culture of ethics and compliance internally.

Our code of conduct, supplier code of conduct, our pro-labor attitude and policies further establish us on the side of ethical business.

Our production model has been adopted to guarantee a high quality of life to employees, while fully respecting human rights and workers. By policy, we exclude discrimination of all sorts, inequality, child labor, forced labor, and sexual harassment.



The year under reporting shows

- ▶ No cases w.r.t. POSH or whistle blower.
- ▶ No single incidence of breach of law is found in social or environmental or governance domains in the reporting year.
- ▶ No child labor/forced labor cases within our boundaries of operation.
- ▶ No violations of law, no major fines/penalties imposed.
- ▶ One case pending at tribunal awaiting resolution.

Advocacy

We hold membership at various forums and institutions, in a spirit of corporate citizenship and participate actively in policy and regulation related domains, with the Government and other peer networks.

We made representations to FIEO, CAPEXIL, AIRIA (Export promotion councils) and Ministry of Commerce & Industry, Government of India on various issues concerning the trade and industry which includes: non-levy of Custom duty on Returnable Packing material (eco-friendly) used while importing raw materials, continuation of Direct Port Delivery (DPD) facility, Issuance of Duty Credit Scrips declared under Incremental Export Incentive Scheme (IEIS) which was kept on hold.

Memberships:

- ▶ Federation of Indian Export Organizations (FIEO).
- ▶ Chemical & Allied Export Promotion Council of India (CAPEXIL).
- ▶ All India Rubber Industries Association (AIRIA).

The Company is allied with some key associations to engage and raise contributions for betterment of present regulatory system, policies, business environment and shaping regulatory process for future technologies.



Employee Wellbeing



Our people-centric approach and team driven ethos underlie our employee engagement. Diverse systems, policies and engagement platforms bring in the required structure and strategy to the domain. Our monitoring systems keep the vigilance on issues causing any impact. We have managed to establish a conflict-free relationship based on work atmosphere. Our lowest attritions testify for our employee engagement.

Engagement for the new normal

At BKT we fostered a culture which became the catalyst for deeper engagement, productivity, profitability, customer satisfaction and retention.

As the imperative of the new normal became clear, we rethought and redesigned work arrangements.

We restrengthened our employee engagement practices with the following initiatives:

- ▶ Employee grievance handling
- ▶ On-spot appreciation & monthly reward and recognitions
- ▶ Kaizen scheme
- ▶ Recreational activities & sports
- ▶ Family get-togethers
- ▶ Yoga Day
- ▶ Ladies meet
- ▶ International Woman's Day
- ▶ Ladies' marathon
- ▶ Children's day
- ▶ Children's quiz and drawing competition
- ▶ Weekend movies
- ▶ Festival celebrations

At BKT, we care about our people with empathy, dignity, grace and humane touch.

The cornerstone of our employee engagement philosophy rests on our unshakeable belief that employees and their families are our invaluable assets and they need to be treated with respect and care.

This sensitive, caring approach creates an environment for excellence, and coupled with the learning opportunity we provide, drives super performance in our talented and committed teams.

We encourage **positive relationships between workers and managers** for resolving work related issues and concerns, and hold an open-door policy. We believe that workmen are not needed only in material terms but in emotional and cognitive terms essentially, and hence hold their overall wellbeing in utmost importance.

We have multiple forums where workmen play an active role to enhance quality, productivity and efficiency, and we encourage workers for productivity and team collaboration. Skill enhancement of workmen promotes individual learning as well as team productivity.

Attendance Incentive Scheme, we realise, acts as a motivating factor for them to be punctual and regular at work helping us control absenteeism and meet production targets with no obstacles. Our spacious, hygienic and ventilated canteens serve healthy and balanced, quality-audited meals to our employees at subsidized prices.

Our shop floor working environment ensuring good ergonomics, safety and mental health of workers promotes an engaging work culture.

Our Cross Function Team (CFT) approach, through participatory move, enables us to sense and capture workplace concerns before they blow up into critical issues, and to remedy them in time.

Consistent training schedule insisting on continual improvement, shop floor housekeeping and preventive maintenance schedules stay on high priority to provide a safe work environment to all employees.



Employee engagement during Covid

Covid times reflected back to us the trust and care we have invested in our people. They stood with us in the thick and thin of the trying times, in expression of true family-like solidarity and a trusting bond.

Our attrition was at 6% in the year 2020-21: the highest ever for us, and one of the lowest in the industry.

This says a lot about the unique strength of our engagement historically and during the crisis in particular.

Our employees –both fulltime as well as workmen were so well engaged with us that there were no disruptions in logistics or any other operations. We are confident that our set of strengths would stand us on a positive ground in times to come, despite the global challenges ahead.

Our workmen who had moved back to their natives in the first wave (which caused us a shortage of manpower for three weeks) came back in hordes promptly, to join us back as safer times began.

We took care of their needs in myriad ways—from incentive packages to wellbeing initiatives.

The year bore a strong testimony to the mutually trusting bond between our employees and the management at BKT.



Factors of our High Employee Engagement

Our Founder over three decades ago proclaimed

"When a person walks into our organization, he must feel happy to come for work; when he leaves, he must leave with a heavy heart waiting to return next day with greater enthusiasm."

This vision has been the cultural driving force behind all our employee relations so far, keeping us glued to our employee wellbeing at all times.

The spirit underlies all our policies, all our conduct and relationships. We have built a culture of true respect and genuine care which has stood the test of time over three long decades.

We have realized, in such a sound culture, employee wellbeing occurs as a culturally natural outcome rather than as a strategically strived and calculated result.

A testimony to this truth is the fact of **long tenure of our people**. Senior leaders are here for the longest tenures and several who exited and returned to this BKT family's welcoming fold.



▶ Our employee attrition has been consistently low

▶ Attrition in 2020-21 was at 6%

Our people-care initiatives are aplenty: At the top, middle and lower levels, the right incentives are put in place. Performance management systems, attractive increments, rewards and recognition systems drive high engagement and performance.

The culture of 'listening' to our employees, the personal touch given in our dealings with our people and ethos of respecting workers, inspire our people to stay glued to our organization in a sense of safe belongingness.

Fair wages, respect for human rights, supervisors well trained in sensitive handling of the labor force with patience and care, long tenure of work guaranteed through four year agreements with workmen, and listening to their issues have created a culture of trust. The Management's pro-labor stance keep engagements conflict free at the shop floors.

We employ a large workforce, and include them in all our teach-and-care initiatives: all sensitization programs, benefit schemes, raises, safety trainings, etc.

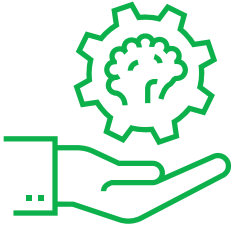
We approach all our housekeeping staff, including security personnel, with a humane touch, include them in our training, safety and welfare care programs.

We have only one trade union, at our Waluj location, and it has **most cordial relationship with management**. The trade union ensures that all jobs at the shop floor happen seamlessly. The Union is the ambassador for our safety initiatives and positive communication.

We see several cases of our employees joining us back and attributing **the return to the culture** of our organization, ethos of respect, treatment, humane touch, assured safety, scope for growth and ample room for freedom to innovate and grow without fear of failure.

Our gender diversity is an area of focus and we are looking at ways to improve it in the future in domains of Technology, R&D, Marketing and HR.





As an organisation we create a competitive environment among peers, equip employees to develop this mindset with appropriate tools and techniques to realize their potential, rewarding and recognising talent through accelerated career paths, aiming to create “Happy Hearts”.

Individual growth and collaboration are the key features of our approach to talent management. Constant up skilling, re-skilling and innovation are our core strategies to develop the talent for our specialty product range. Measurement of skill levels and gaps, and further mentoring are a regular part of our plans for developing talent. With significant investments in building a culture of coaching and mentoring we nurture young talent that brings in creative energy to the business.

The Management and the leadership team not only play a crucial role in establishing a high performance work culture but also set an example for others to follow.

Training & Development

Training and skill development are the pillars which uphold BKT’s capacity-building agenda. Key types of our training programmes are:

- ▶ Orientation trainings
- ▶ External trainings
- ▶ Skill enhancement trainings

Performance based Development Plan: Our Digital Performance Management System tracks the performance of employees, facilitates the formulation of a Performance Improvement Plan (PIP), and acts an effective tool for career development while our Performance Appraisal System rewards, motivates and integrates our people towards higher individual growth.

Mentoring sessions at BKT share experiences and channelize new energy in the right direction.

We ensure Leadership Development from shop floor management to senior management team through both informal and formal feedback for development of effective leadership behaviour. For senior plant teams, an annual 3-day MDP is conducted to acquaint them with latest management practices and leadership trends. External reputed speakers are invited regularly for specialised knowledge and motivational sessions.



The Humane Face of BKT

Ambient comfort of people and productivity

Our conviction is that when workers work in a comfortable ambience, it keeps them productive and engaged.

Ambient temperature being a key factor of comfort on factory shop floors, we invest in keeping ambient temperature at a comfortable level.

While it adds 20% to our energy cost on the shop floor, we are glad that our workers are comfortable.

Our investment in such care has paid off in terms of productivity. We have seen our productivity levels rise gradually without layoffs or slog-work over the years.

Indeed, there is a lot which can be accomplished by conviction in caring for comfort!



The Employee Housing Colony at our Bhuj location

18 kms from Bhuj City, Kutch Gujarat, the company has built a modern and sprawling residential complex for employees of the Bhuj plant. The Colony is an outcome of our thinking and action, both inclusive and strategic.

The colony keeps our employees close to our production centre, under our care services and developed infrastructure, it cuts down their travel time, curtails emissions and increases both engagement and productivity for our operations.

The colony is built as a self-contained mini-town, complete with a super market, a club house, sports area, recreation facilities, park and a temple.

Bachelor hostels for 200 youth and houses of varied sizes (1 to 3 BHK) dot the colony, populating the place with 420 families at present.

Toddlers attend a preschool, young children study up to fourth grade on the premises, while older children commute in BKT buses to city schools.

Quality of life is made carefully comfortable here, 80-90% of our Bhuj employees find their home in our colony while we plan to expand the capacity to house many more in times to come.



Managing Industrial Relations

Our Waluj, Aurangabad Plant is a classic case study where impressive transformation happened on the industrial relations scenario years ago.

We were determined to resolve the situation and move ahead, taking our labor along with us and grow together. We put our best listening skills to use, strived to understand their needs and issues, and managed to learn, resolve and grow from there.

Our Industrial Relations till today carry a high level of sensitiveness which has enabled us to manage a congenial manufacturing environment in challenging contexts and regions.

In 2008, we faced challenges at **Bhiwadi** plant. We turned around the situation completely, by working holistically on worker satisfaction, hygiene, productivity and several other factors.

'All category of workmen should be treated and respected as a single unit' is the spirit and ethos which drives our industrial relations.

With four year-long agreements, we safeguard workmen's wellbeing, and build-up a sense of security amongst them while being employed with us.

Our senior management in fact spends time on the shop floor to relate with and experience the conditions just as the workforce does.

Several remediation measures for better comfort arise from such involvement of senior management on the shop floor—such as setting the ambient temperature to a comfortable level, creating social spaces on the shop floor for team meets and so on.

Our managers and supervisors are well trained in handling labor relations with utmost sensitiveness.

The result is evident in the fact that our relations are cordial with our labor force, and we witness a pro-management attitude in our labor force just as the management adopts a pro-labor stance.



Outlook

- 0 Creating a culture of Inclusion, Trust, Empowerment and Development of Employees
- 0 Safety, Health and Environment Initiatives
- 0 Training and Skill Development Programs
- 0 Occupational health, safety, and well-being initiatives
- 0 Employee benefits and policies
- 0 Improved Diversity

Health and Safety



At BKT, our approach to health and safety is to prioritize it over everything other than in the area of production. Apart from a policy on Health & Safety, we deploy a plethora of strategies and monitoring mechanisms to ensure wellbeing and high levels of safety for workers. No incidences of fatalities and no serious injuries in the last three years demonstrates our commitment to Health and Safety.

Excellence in Health and Safety

Safety—everyone’s business at BKT.

Our mornings start with a safety review!

Health and Safety is an area of high material significance in our industry which employs complex production processes and significant size of workforce.

Not only a policy, systems, and training but also a high level of awareness building for behavioral changes, safety implementation, monitoring and human touch are required to achieve desirable levels of health and safety.

BKT hence approaches health & safety from multidimensional perspective.

“Production can halt if required; let’s get the safety activities done first”, is an often heard phrase from our top management.

Good practices on Health and Safety:

- * H & S policy lays out the importance and the scope of the domain organization-wide.
- * Top management makes it clear that pro-safety approach is fundamental to our operations.
- * Each morning at BKT starts with the safety review.
- * Our Safety Committee spearheads all aspects of the domain, bringing in top level care and also worker level inputs to the table.
- * OHSAS certification that spans all our plants brings in safety features built into the certification requirements.
- * Our Occupational Health Centres provide the necessary health check-ups, and counselling.

▶ Zero fatalities, and no serious injuries occurred in last three years

Drivers of excellence

We conduct extensive safety trainings for all workers, and yet we know we must go beyond and plug gaps in implementation. Hence we design and use a range of communication methods and material (signage, reminders, periodic talks, etc.) so as to sustain the implementation on a constant basis.

In our experience, no amount of safety training can help prevent hazards unless we supplement it with consistent communication and care.



Our system includes:

- ▶ Promoting workplace health and safety for employees, collaborators and suppliers in order to guarantee a healthy and safe work environment which meets or exceeds the applicable occupational health and safety standards.
- ▶ Identification and assessment of health risks, thus implementing programs and adequate protection measures to eliminate such risks and ensure employees' health and wellbeing.
- ▶ Safety Day is celebrated with competitions and awards distribution. Executive Health check-up and Employee well-being receives management attention at all times.
- ▶ Regular fire safety drills, quick sessions and refresher sessions are run through each department to sensitize the employees and prevent any accidents.
- ▶ All Plants have elaborate fire hydrant systems supported by multiple types of fire engines.
- ▶ Valuable suggestions of the Safety Committees are implemented through the stakeholders themselves.
- ▶ Safety training is imparted whenever there is a process improvement or introduction of new technology.
- ▶ Internal Trainers are always available to coach and guide each employee.
- ▶ Emergency preparedness training is also given to the Employees.

Significant Safety Interventions

- ▶ A range of solutions: Certified First Aid Training, on the job, work procedure and general Safety Awareness, Emergency preparedness and response plan.
- ▶ Sessions are held at project sites to educate and sensitize the workforce on hazardous activities and the corresponding preventive measures.
- ▶ Health session on heart diseases, Dental hygiene, nutrition and general health awareness is given by health experts.
- ▶ Awareness sessions are held: EMS Awareness Programs, Health and Safety Awareness, New employee safety orientation and Health and hygiene awareness trainings.
- ▶ Initiatives are undertaken to enhance safety by imparting Health and Safety Trainings.
- ▶ To spread safety awareness, various theme-based campaigns are organized on various important dates such as National Health Safety Week.
- ▶ Program on awareness of schemes run by Maharashtra Labor Welfare Department.
- ▶ Annual Health checkup of staff members and workmen, Half yearly health checkup for workers involved in hazardous process, Visiting Qualified Doctor to assess & advise on employee health.
- ▶ Safety committees and Safety Patrols are continuous activities.



Community Care



We approach CSR from the lens of responsibility, and not mere compliance or strategy. Our CSR predates the Compliance norm in India. Our model consists of context-specific need-based community care through NGO partners. As believers of self-monitoring, we bring in close, internal governance over our CSR projects. The impacts span several areas.

Inclusiveness

We are an organization which is inherently inclusive internally and externally. Being modelled by strong values and culture renders such inclusiveness naturally to us.

Our CSR began when we started our Aurangabad factory in the year 1987. Those were the times when we did not call it by the name CSR but simply looked at it as societal care—a part of our responsibility, a way of helping the society around us. We chose to support a hospital in Aurangabad and improve its capacity to serve the society around and continue to do so till date.

The plants we later set up at Bhiwadi and Chopanki opened us to new types of needs of the communities around—mainly agricultural farmers. Our social responsibility initiatives during **2006-2010** revolved around supporting the farmer communities in several ways.

2010 onwards, we expanded the scope of our CSR and set up BKT Foundation to bring focus and structure to our mission on societal care. Mandatory CSR was still not in sight then.

Our support at Aurangabad extended beyond the hospital, to include schools and children with disability. At Chopanki, our care found its form in terms of support in health and hygiene, support for police stations and the like. When we started our work for our Bhuj plant, our CSR took another shape in the form of helping the surrounding villages in several ways, including providing mid-day meals to school children through Akshay Patra Foundation.

Our CSR has always been an initiative of spontaneous responsiveness to the specific needs and issues of the surrounding contexts, and never a one size fits all panacea decided by us for all geographies. We do pursue a charter based on social themes—such as education, health, rural development, etc., but are keen that the theme/project is determined by the needs of the communities surrounding each area.

CSR Policy

<https://www.bkt-tires.com/media/files/shareholders/policies/bil-corporate-social-responsibility-policy.pdf>

After 2014 as the mandate on CSR came to force, our CSR became much more structured and systematic, while the seeds were sown long ago.

Our CSR policy brings our intention, agenda and themes to the fore, aligning us organization wide in community care. The Board level Committee on CSR bringing in the much needed oversight and guidance. Our NGO partners bring in the issues on the ground to our notice and our involvement on the field keeps us abreast of issues and needs of our communities.



The BKT CSR Initiatives

Our CSR initiatives took a wide reach and depth especially in the last two years as we completed a year of progressive CSR and stepped into a year that posed the COVID challenge. We responded with responsibility, alacrity and humane stance.

CSR before the pandemic: FY 2019-20

In FY 2019-20, We spent INR 15.76 Cr. spread across several projects of care amidst the crisis.

- ▶ Some of our impacts are visible in the ponds we have extended and deepened for the villages around Bhuj plant, the green cover we have enhanced at Bhuj to 33%, the difference that our food and nutrition initiative has made to not only the health of children but also to their education, as incentive.
- ▶ Our various initiatives include support for high schools, medical equipment, child palliative care, and support for teacher trainings, sponsoring diagnostics & testing, safety provisions for vocational training for the blind.
- ▶ Free education to around 800 girls in Rajasthan.
- ▶ 14 million children in 10,000 schools are fed free mid-day meals every year.
- ▶ 50,000 students are served food at Bhuj community canteen per year.
- ▶ Among the numerous initiatives we funded many projects dedicated to education (school construction, supply of meals and support to students, economic support to teachers), healthcare (support for children with serious illnesses, meals, support for orphanages, contributions for the purchase of machinery, meals for cancer sufferers, contributions for medical diagnosis projects, support for COVID sufferers) and rural development (training, inclusion of disabled job candidates, infrastructure).
- ▶ Our employees have a sense of social responsibility too. The annual blood donation camps are organized at all locations.
- ▶ Sponsors of charity projects, our sponsor projects are in India and abroad.



Mid-day meals

Having started working with Akshaya Patra in 2016 for mid-day meals for children, 2019-20 was a landmark year for the partnership of BKT and Akshaya Patra Foundation. Bhuj kitchen got operational. BKT remained committed to the cause of providing meals to children. In addition to building the kitchen, BKT came forward and decided to fund the rents for the vehicles carrying the mid-day meals that were outsourced. Along with 15,000 beneficiaries from Bhuj, BKT went on to sponsor 85,000 more beneficiaries.



CSR in the COVID Context

Overview:

Our CSR vision, polices, the commitment of our CSR Committee of the Board and our passion and action on the ground bring in the necessary guidance and leadership for our CSR initiatives.

Our CSR Committee is responsible for CSR policy, review, and recommends action plans and ensures implementation.

Chaired by Mrs. Vilayalakshmi Poddar, the committee met four times during the year.

- ▶ We identified and committed to projects worth INR 22.32 Cr (2% as per the mandate) during FY 2020-21.
- ▶ Our CSR spend during FY 2020-21: INR 18.12 Cr
- ▶ The balance INR 4.20 Cr is dedicated to an identified, on-going project in 2021-22.

Focal areas of our CSR vision: Promotion of education, Health and Rural development

While we have historically had several projects under health, education and rural development, the year FY 2020-21 brought in new challenges posed by the pandemic. We responded to the crisis by directing our care for our employees as well as communities.

Our internal Covid care focused on employee wellbeing initiatives.

Our external Covid are focused on food grain distribution, cooked food for the needy, PPE its and safety gear for Covid crisis at hospitals.



External CSR

A combination of direct CSR projects in education, infrastructure and external Covid care at Bhuj) and projects through our NGO partners(across other regions) helped us help communities during the year of the global crisis.

Our impact assessment of a CSR project is shared in our annual report Annexure II (i)

Our CSR project details are available in our AR page 13 onwards

Our CSR initiatives during FY2020-21 spread across UP, Mumbai, Kolhapur, Kutch and Aurangabad included:

- ▶ Funding for the cancer centre in Mumbai
- ▶ Renovation in hospitals
- ▶ Support for palliative care
- ▶ Medical equipment
- ▶ Covid care equipment for hospitals
- ▶ Scholarships for education
- ▶ School infrastructure
- ▶ Teacher training programs
- ▶ Kitchen upgrades for free food initiative



Internal social responsibility in COVID times

For a manufacturing industry such as ours, COVID -19 could pose difficult dilemmas between business continuity and health and safety. We were committed to ensuring health and safety of our people without considerable risks to business continuity.

Running the operations under the governmental regulations and new SOPs was challenging. A ten-day shutdown of our operations was inevitable. We put in place new health and safety measures across all our operations and managed the situation courageously.

It was a story of managing stress and scale, both, simultaneously.

One of our very first initiatives of Covid care came in the form of our vaccination drive. Managing direct sourcing of the supplies, our Bhuj facility turned into a government authorized Covid vaccination centre, vaccinating both doses in phases, age-wise --as per the government rules.

- ▶ Our vaccination campaigns covered not only our employees but their families, extended families and the staff as well.
- ▶ Our vaccination campaign benefited local residents at Bhuj as well, beyond our own employees.
- ▶ We created our own ICU facility at Bhuj factory premises to treat critical patients. The treatments is given free of charge.
- ▶ 56 people were cured at the ICU in the year 2020-21, with not a single death in the ICU.
- ▶ We unfortunately lost four lives among our employees due to Covid (not on our premises), and took care of their families' wellbeing w.r.t education, financial assistance package and so on.
- ▶ We tied up with a hospital at Aurangabad to take forward the vaccination locally, and also with two hospitals at Mumbai.

The kind of sensitive and timely care we extended to our employees, their families and also to the communities around have resulted in a strengthening the mutual bond, pushing up engagement levels and the trust quotient, overall.

This we believe is a great and strong foundation built to face any turbulent times ahead, as we enter another year of challenge where the global crisis has not gone away but still looms for FY2021-22







Annexures



Sustainability Performance Dashboard

Performance Indicator	UOM	FY2018-19	FY2019-20	FY2020-21
MATERIALS				
Raw material consumed (MT)	MT	212074	194936	233660
Resource productivity (Raw material MT/Ton of Tire)	MT/MT	1.01	1.01	1.01
Recycled Rubber Ratio	MT/MT	0.021	0.021	0.021
Recycle product rate	%	2.08	2.08	2.03
ENERGY				
Total energy consumption	M KCAL	574614	613223	664736
Energy consumption (fuel)	M KCAL	412599	442452	478572
Energy consumption (purchased electricity)	M KCAL	162015	170771	181157
Energy consumption per unit of production	MCAL/MT	2.74	3.15	2.86
Reduction volume of energy consumption	%	-	-	0.0021
Energy consumption outside the organization	MCAL/MT	0	0	0.0004
WATER & EFFLUENTS				
Total water withdrawal	KL	867034	801343	800537
Water withdrawal (surface water)	KL	0	0	0
Water withdrawal (groundwater)	KL	385692	367989	353311
Water withdrawal (water supply & industrial water)	KL	481342	433354	439219
Water withdrawal (seawater)	KL	0	0	0
Volume of recycled water	KL	27.05%	42.21%	54.17%
		234492	338217	433640
Total water discharge	KL	0	0	0



Data requirement	UOM	FY2018-19	FY2019-20	FY2020-21
GHG EMISSION				
Greenhouse gas emissions (Scope 1)	t Co2e	111230	118931	181746
Greenhouse gas emissions (Scope 2, market based)	t Co2e	197050	207022	102137
Greenhouse gas emissions (Scope 3)	t Co2e	-	-	-
CO2 emissions (Scope 1 + Scope 2)	t Co2e	308280	325953	283883
NOx emissions	mg/Nm3	-	139	369
SOx emission	mg/Nm3	-	273	426
EFFLUENT & WASTE				
Total volume of water discharge	KL	0	0	0
Volume of recycled water	KL	234492	338217	433640
Total weight of waste generated	MT	318	309	236
Hazardous waste generated	MT	318	309	549
Hazardous waste transported	MT	318	309	203
Hazardous waste treated	MT	-	-	-
Volume of waste landfilled	MT	36	86	74.4
ENVIRONMENT MANAGEMENT				
Sites with ISO14001:2005 certification	No.	4	4	4

Employment

"Total employees as on 1st April (Genderwise M/F, Agewise <30, 30 to 50, >50) "	FY2018-19	FY2019-20	FY2020-21
Agewise			
30-50 Years	1,096	1,125	1,500
Over 50 Years	277	282	409
Gender	-	-	-
Male	1,847	1,876	2,275
Female	24	28	28
Workmen (Monthly rated and daily rated, trainees)	920	875	885
Others (Contract, trainees, apprentices, etc)	3,638	3,547	6,360
Number of employees leaving the organisation in the year	143	150	92
Number of employees joined the organisation in the year	189	141	187

Labour Management

Minimum notice period duration in weeks	FY2018-19	FY2019-20	FY2020-21
Minimum notice period regarding significant operational changes	9-21 days		
Consultation opportunities on the changes during notice period (yes/no)	yes	yes	yes

Occupational Health & Safety

Occupational health & safety	FY2018-19	FY2019-20	FY2020-21
Workers training hours or participation details on OH&S	117,133	27,0143	254,262
Percentage of workers covered under OH&S system (Permanent/ Temp)	100	100	100

Training & education

Training & education	FY2018-19	FY2019-20	FY2020-21
Average hours of training per year per employee (M/F)	273.72	216.87	287.2

Non-discrimination

Incidents of discrimination & corrective actions taken	FY2018-19	FY2019-20	FY2020-21
State the total number of incidents of discrimination	NIL	NIL	NIL
State the actions taken in response to the incident of discrimination	NIL	NIL	NIL



Rights of Indigenous People

Rights of Indigenous People	FY2018-19	FY2019-20	FY2020-21
Nos of identified incidents of violations involving the rights of indigenous peoples	NIL	NIL	NIL

Public Policy

Public Policy - Political Contribution	FY2018-19	FY2019-20	FY2020-21
Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. (Estimation process)	NIL	NIL	NIL

Economic Performance

Rs.in Crores

Particulars	FY2018-19	FY2019-20	FY2020-21
Economic value generated			
Revenues	545,871	503,126	591,937
Economic value distributed			
Operating costs	342,071	304,345	336,258
Employee wages and benefits	26,363	28,582	32,594
Other than Operating costs	56,460	55,415	66,644
Payments to providers of capital - Finance Cost	979	727	982
Payments to providers of capital - Dividend	17,479	51,272	23,198
Payments to government -Current	39,160	29,230	37,100
Payments to government - Deferred	941	(11,444)	645
Community investments	1,697	1,773	2,360
Economic Value Retained	60,721	43,226	92,340

Employee Benefit Plan

Rs.in Crores

Financial Benefits Plan & Retirement Plan	FY2018-19	FY2019-20	FY2020-21
Benefit plan obligation, liabilities	4,549	5,752	6,473
Percentage of salary contributed to retirement plans	17.26	20.12	19.86

Indirect Economic Impacts

Indirect Economic Impacts	FY2018-19	FY2019-20	FY2020-21
Infrastructure investment (Significant), Services supported	1894	2123	2232
Significant Indirect Economic Impacts	1697	1773	2360

Procurement Practices

Procurement Practices	FY2018-19	FY2019-20	FY2020-21
Percentage of Local procurement as per defination of local	35.56	61.03	58.24

Materiality & KPI Map

Sr. No.	Material topic	Why material?	GRIS KPIs	Boundary (I=Internal; E=External)
1	Technology-R&D-Product performance	<ul style="list-style-type: none"> Purpose of business Core strength Competitive advantage Differentiator 	Economic performance: 201-1, 201-3 Procurement: 204-1	I
2	Ethics & Compliance	<ul style="list-style-type: none"> Part of philosophy and value system of the org our commitment to all our stakeholder 	Anti-Corruption 205-1 205-2 205-3	I
3	Health & safety	<ul style="list-style-type: none"> Our people are our core asset Growing together is a corporate value 	Employment 401-1, 401-2 Labour Management Relations: 402-1 H&S: 403-5, 402-8	I
4	Employee Wellbeing	<ul style="list-style-type: none"> Core motto: growing together Team work for innovation 	Diversity & Inclusion: 405-1 406-1 Security: 410-1	I
5	Community Care	<ul style="list-style-type: none"> Social welfare is a part of our responsibility Communities form key stakeholders in the regions we operate 	203-1: Infrastructure investments and services provided 203-2 : Indirect economic impacts 411-1 413-1	E
6	Resource conservation & Environmental protection			
a	Energy & Emissions	<ul style="list-style-type: none"> Climate change response is an imperative CFP reduction is a must 	302-1 to 302-4 305-1,2,4,5&7	I
b	Water	<ul style="list-style-type: none"> Scarcity in the region makes it a precious resource 	303-1 to 303-5	I
c	Waste	<ul style="list-style-type: none"> Compliance Environmental responsibility Critical for health of the society 	306-1	I&E
d	Materials	<ul style="list-style-type: none"> Critical to production Determinant of product quality 	301-1	I



Assurance Statement









GRI Standards Index

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General Disclosures - Core		
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Strategy		
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Reporting practice		
102-45	Entities included in the consolidated financial statement	AR
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102-47	List of material topics	20
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SPECIFIC DISCLOSURES		
ECONOMIC		
Economic performance:		
201- 1	Direct economic value generated & distributed	72
201-3	Defined benefit plans & obligations	72
Market presence:		
Indirect Economic Impact:		

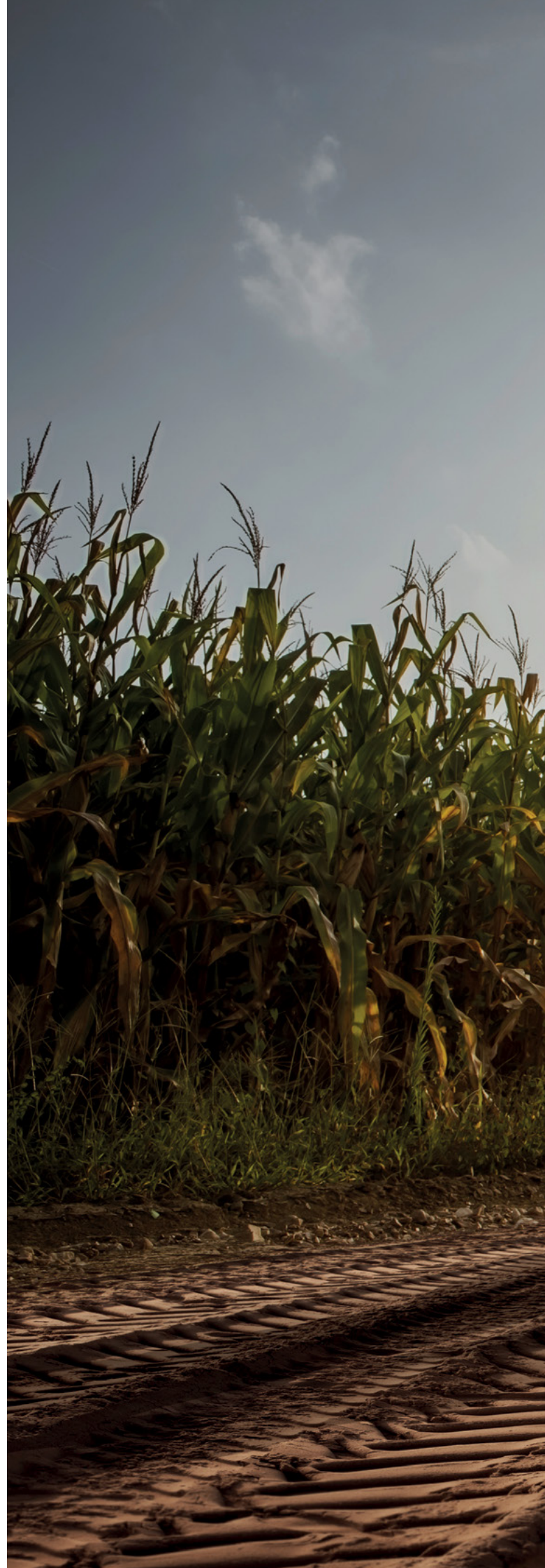


GRIS: Disclosure No.	Disclosure Description	Page No.
203-1	Infrastructure investment and services provided	72,62-65
203-2	Significant indirect economic impact	72,62-65
Procurement Practices:		
204-1	Proportion of spending on local suppliers	72
Anti Corruption:		
205-1	Operations assessed for risk related to corruption	100%
205-2	Communication & training about anti corruption policies & procedures	100%
205-3	Confirmed incidents of corruption & actions taken	NIL
ENVIRONMENT		
Materials :		
301-1	Material used by weight & volume	69
Energy		
302-1	Energy Consumption within orgn	69
302-2	Energy consumption outside orgn	69
302-3	Energy Intensity	69
302-4	Energy reductions	41,47-50
Water & effluents		
303-2	Water consumption/withdrawl sources	69
303-3	Water recycled	69
303-4	Water discharge	None
Emissions		
305-1	Direct (Scope 1) GHG emmisions	70
305-2	Energy indirect (Scope 2) GHG emissions	70
305-5	Emissions reductions	40,47-50
305-7	Nitrogen oxides (NOx), sulphur oxides (Sox), and other significant air emissions	70
Waste		
306-1	Water discharge by quality & destination	70 (No discharge)
306-2	Waste by type & disposal method	70
SOCIAL		
Employment		
401-1	New employee hires & employee turnover	71
401-2	Benefits provided to fulltime employees that are not provided to temporary/ part time employee	72
Labour-management relations		
402-1	Minimum Notice Periods regarding operational changes	71
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403-5	Worker training on OHS	71
403-8	Workers covered by Occu health & safety mngmt sys	100%
Diversity & Inclusion		
405-1	Diversity of governance bodies & employees (Annual Board report)	AR
Non- discrimination		
406-1	Incidents of discrimination & corrective actions	Nil
Security		
410-1	Security personnel trained in human righs policies & procedures	100%
Community		
411-1	Violations w.r.t. rights of indigenou people	Nil
413-1	Operations with local community engagement, impact assessment & development programs	*Engagements with no third party assessments





GROWING TOGETHER



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