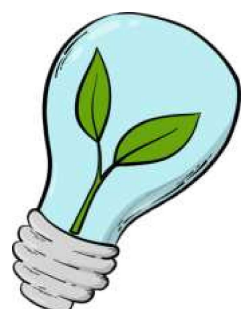


SUSTAINABILITY APPROACH



04

MATERIALITY ASSESSMENT

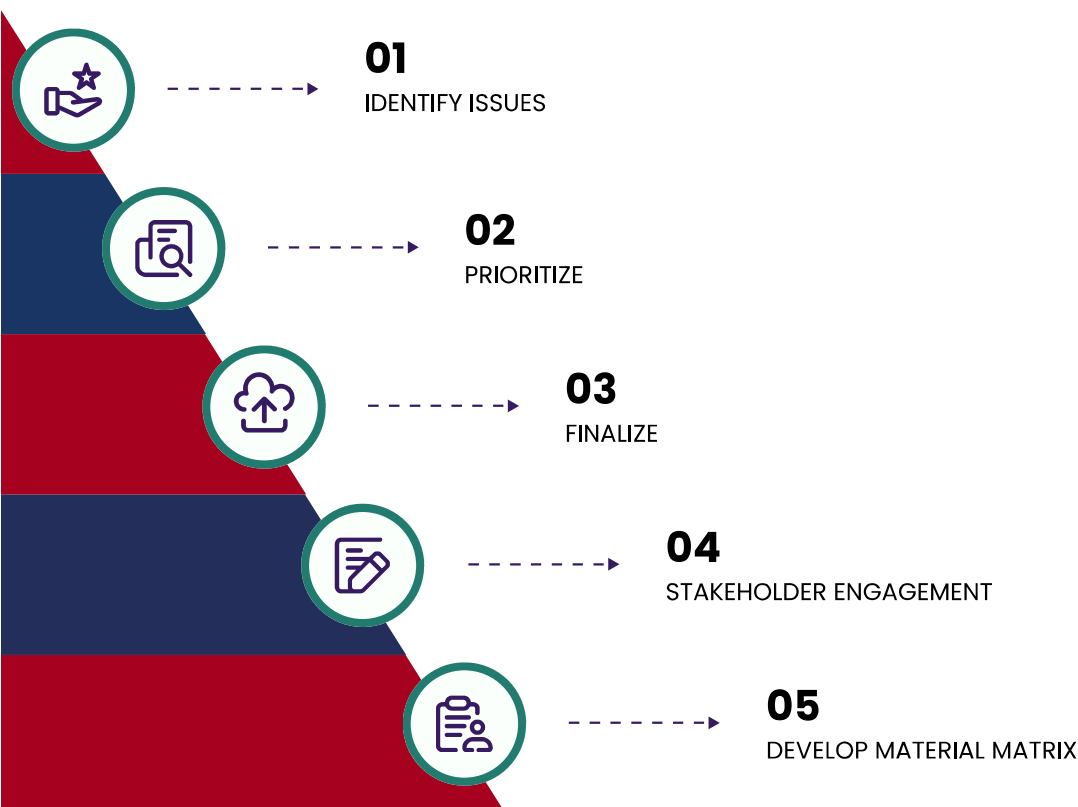


Materiality Approach

Understanding the concerns and interests of our stakeholders, especially regarding sustainability, we are focused on enhancing and expanding our engagement strategy. By establishing a collaborative environment with diverse feedback mechanisms, Roop Automotives Limited seeks to drive meaningful conversations that align with stakeholder priorities and support our long-term vision.

We regarded the Materiality Assessment process as a foundational step in shaping our sustainability journey. This process helped us identify the key impacts, risks, opportunities and material issues that are most significant to our key stakeholders.

We followed a systematic five-step approach to pinpoint material topics and develop the materiality matrix.



Five steps followed for material issues enumeration



In our ongoing commitment to sustainability, Roop Automotives Limited acknowledges the materiality issues identified in our 2022-23 assessment. We have made significant strides in addressing these concerns and are now deepening our efforts to enhance our practices. By building on the insights gained and rigorously examining these areas, we aim to drive meaningful progress and ensure that our sustainability initiatives are both impactful and responsive to our stakeholders' needs. Our dedication to continuous improvement remains steadfast as we work towards integrating these learnings into our long-term strategy.

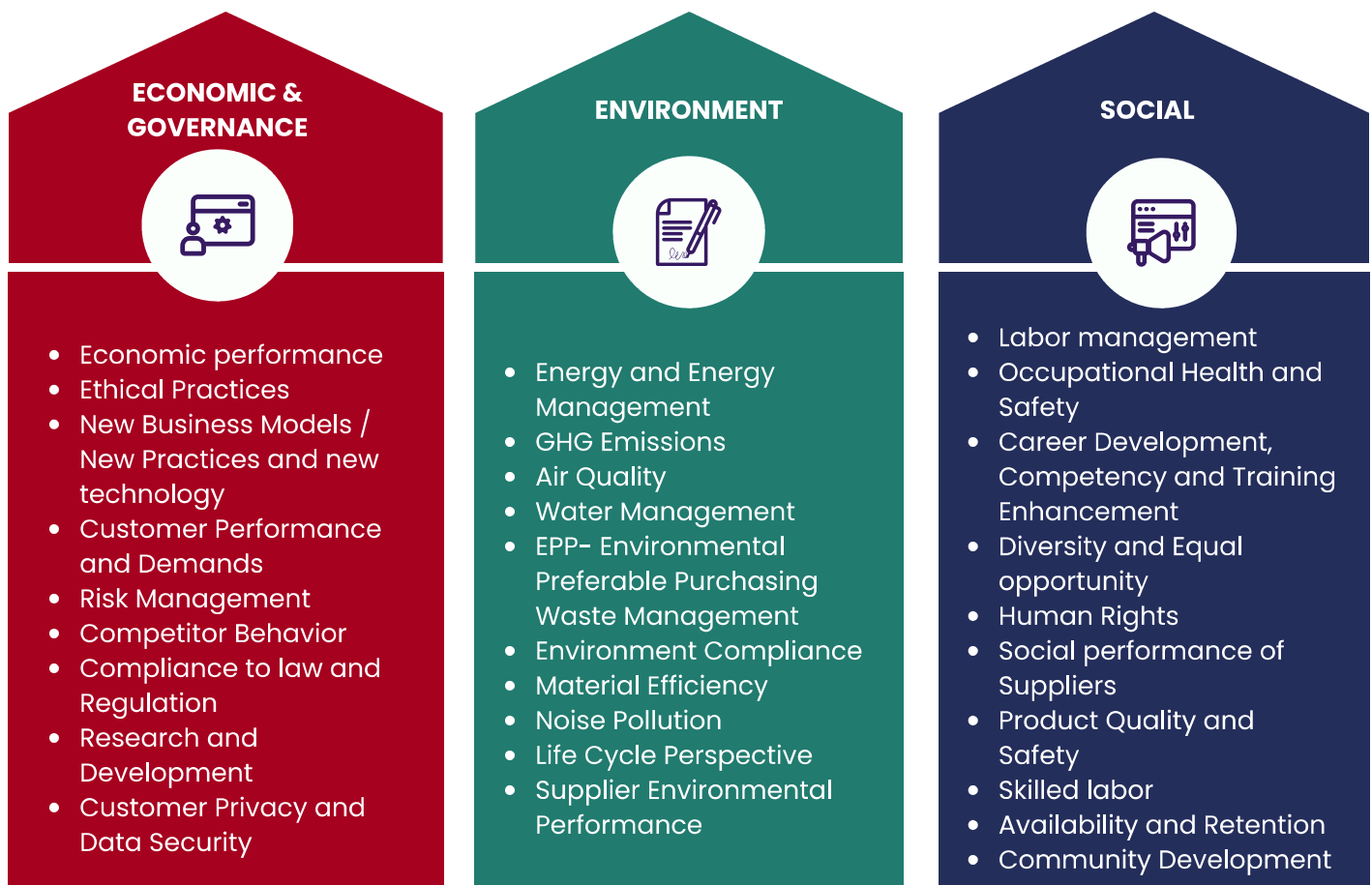
Identification of issues

We explored a diverse set of environmental, social and economic topics and identified critical issues for our organization and stakeholders. This identification process involved analysing various sources, including internal documents such as annual reports, as well as external sources like industry publications, international frameworks including Sustainability Accounting Standards Board (SASB) and sector-specific inputs. This comprehensive analysis ensured that we addressed the most relevant and significant issues for both our business and our stakeholders.

Prioritization

The concerns identified were prioritized by the core team of Roop Automotives Limited through an internal ranking process. This evaluation considered both internal and external aspects of their importance to business operations. The prioritized list of material issues formed the foundation for engaging with key stakeholders.

Stakeholders were asked to rate these issues as low, medium, or high, based on the impact each issue might have on the organization and its relevance to them. The feedback collected from stakeholders was compiled and analysed using statistical tools for further examination.

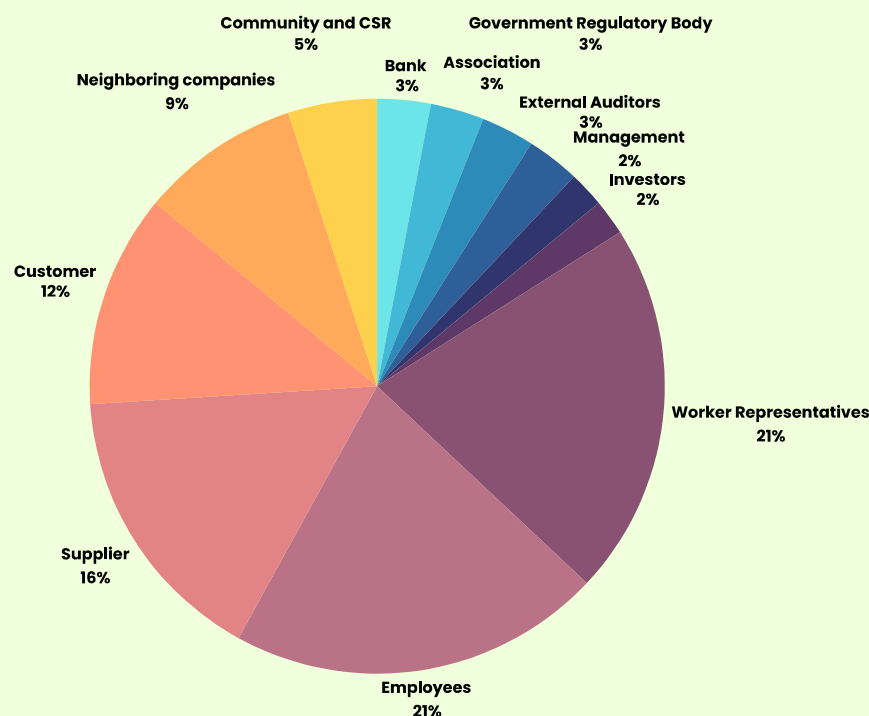


List of finalized material issues

Finalization

Following stakeholder consultations, 29 issues were finalized and categorized into three perspectives: Economic and Governance, Environment and Social. These prioritized material issues were grouped under the Economic and Governance, Environment and Social perspective.

STAKEHOLDER PARTICIPATION

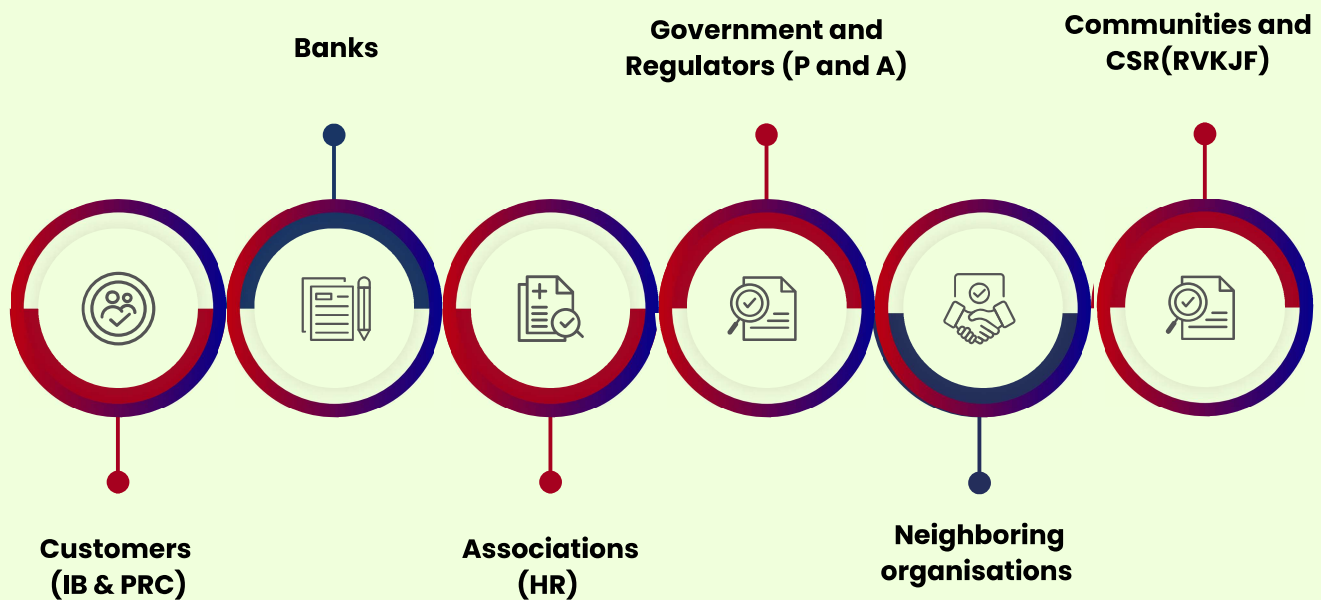
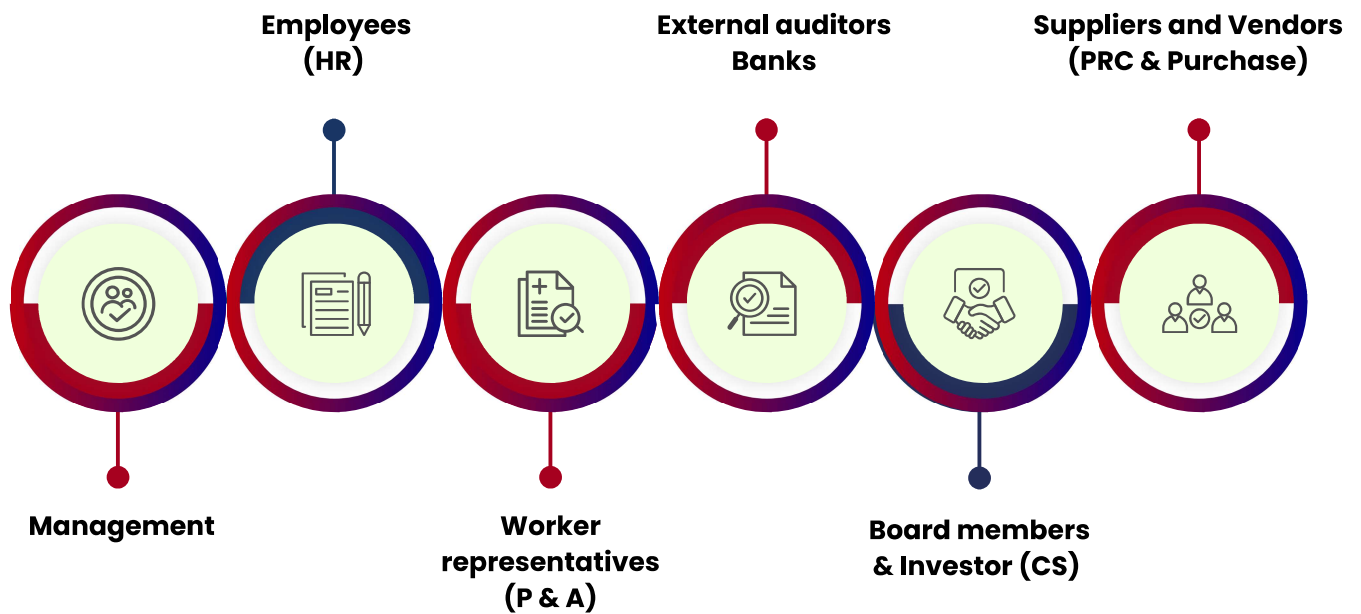


Stakeholders participation rate in prioritization of materiality issues

At Roop Automotives Limited, we prioritize sustainable business practices by actively engaging with stakeholders. This commitment goes beyond mere regulatory compliance, emphasizing continuous dialogue to gather valuable feedback and insights. We address the sustainability concerns most important to our stakeholders, fostering transparency and building collaborative partnerships. Our goal is to ensure that stakeholder perspectives are integral to shaping our path toward responsible and sustainable business practices.

Our central Sustainability team has assessed the roles of various stakeholders and identified key individuals and groups. The consultation methods have been discussed and approved. Stakeholder engagement is considered a critical component in defining our Sustainability Strategy.

Stakeholders

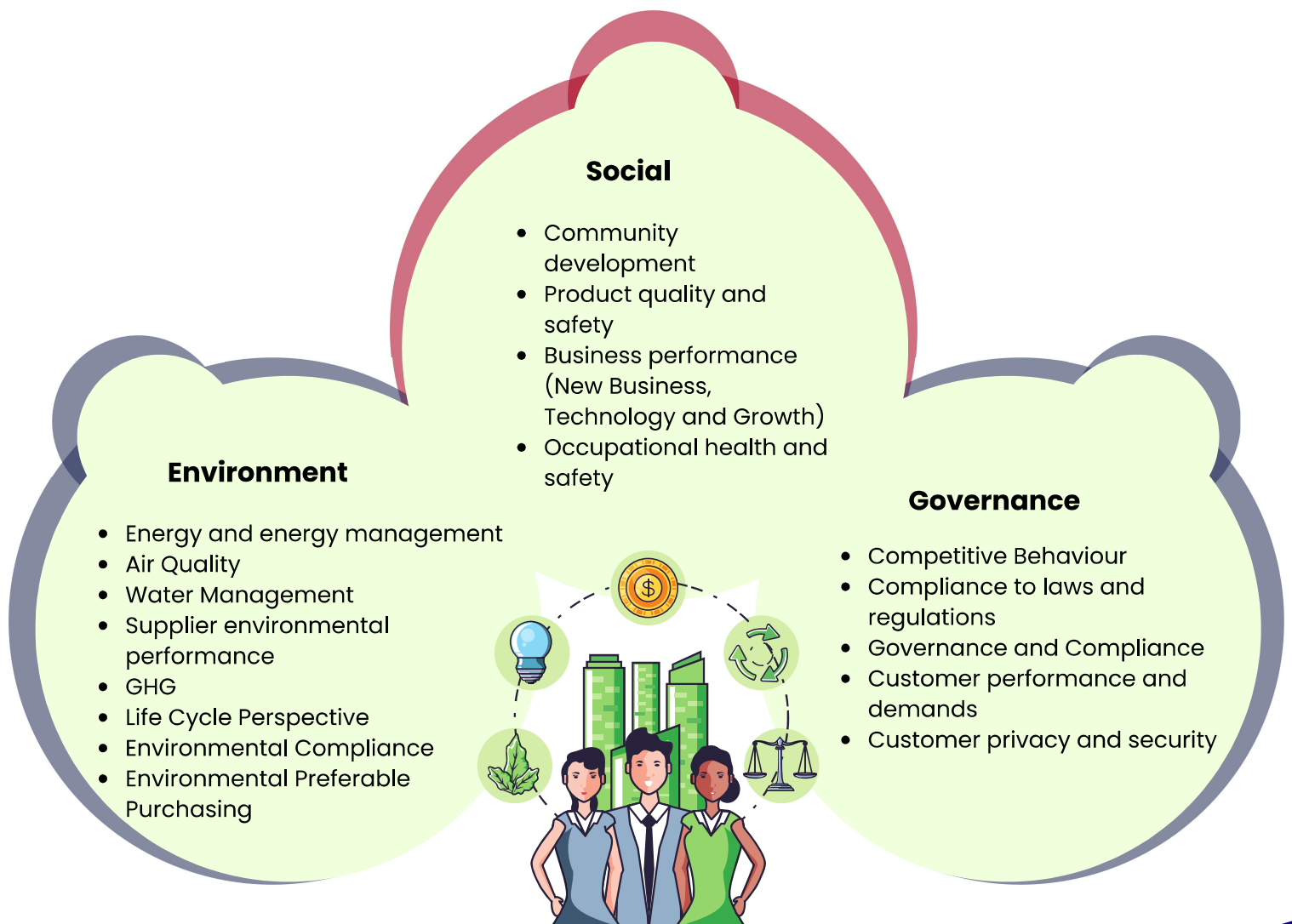


Stakeholders mapped for the Engagement process

Materiality Matrix

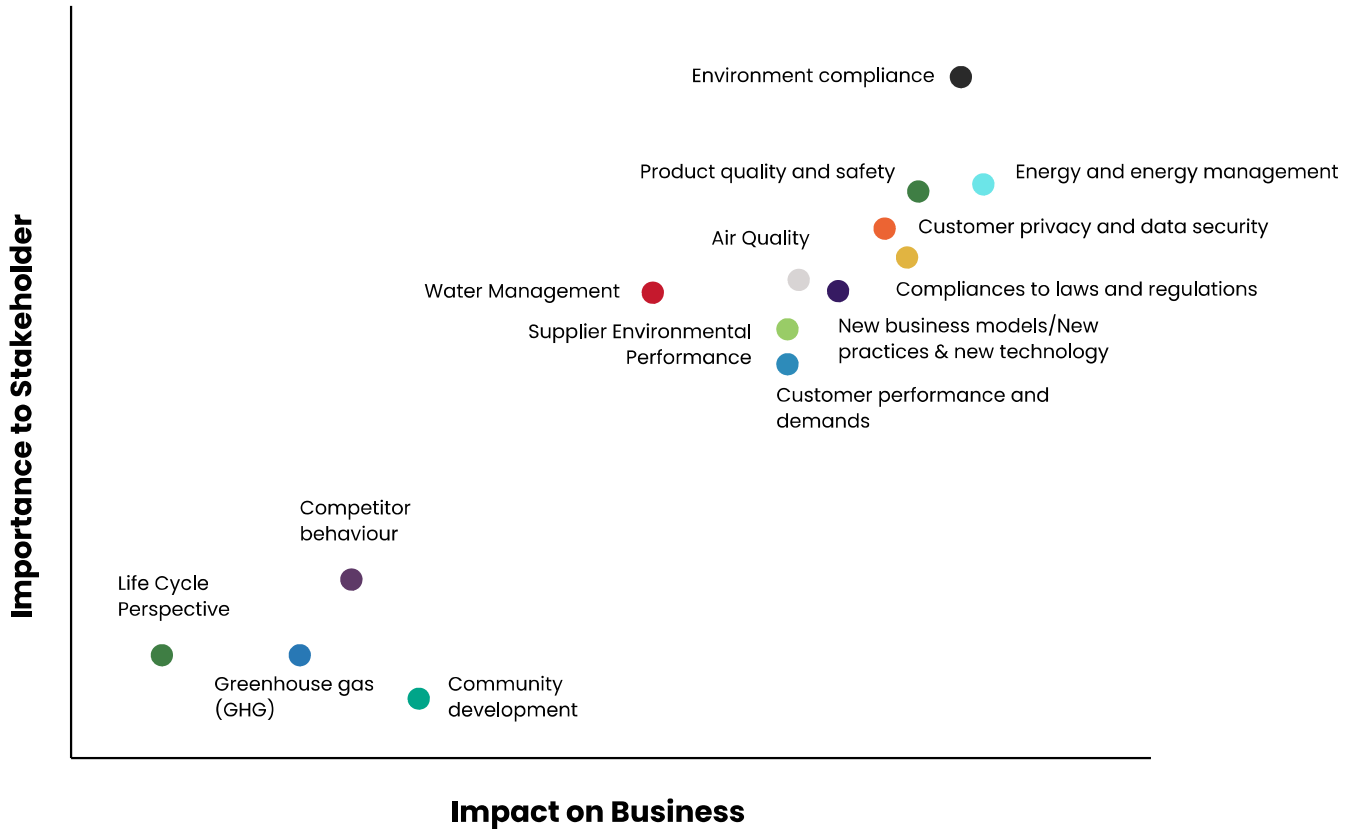
Materiality matrix is a visual tool utilized in sustainability reporting to identify and rank the most crucial economic, environmental and social issues affecting a company and its stakeholders. It helps organizations identify which issues are most relevant to both the business and its stakeholders, guiding the development of a sustainability strategy that aligns with business objectives and reflects our ethical obligation to coexist harmoniously with nature.

The material issues were selected following management deliberations and categorized into three perspectives: Environment, Social and Economy/Governance. These issues were grouped as follows:



Material Issues of Roop Automotives Limited finalized by Management

Materiality Matrix of Roop Automotives Limited



Sustainability Strategy

At Roop Automotives Limited, we are dedicated to integrating sustainability into our operations to mitigate ESG risks and contribute to the Sustainable Development Goals (SDG). We leverage innovation to align our business objectives with environmental oversight. Our comprehensive sustainability strategy, developed through extensive stakeholder engagement and materiality assessments, aims to reduce our ecological impact and support global efforts for a greener future. By incorporating sustainable practices across various timelines—short-term, mid-term and long-term—we seek to balance business growth with planetary well-being, fostering positive change and addressing stakeholder interests effectively.

Our Sustainability Roadmap

ESG Roadmap- Sustainability, understanding our needs

2023

01

Sustainability Kickoff

Kick off for the official sustainability drive at Roop Automotives Limited, formulating policies & identifying gap and action items

02

Scope 1- Manufacturing Process

Manufacturing processes

03

Scope 1+2- Business and social

Business & Social

04

Scope 1+2+3- Business, Social & Services

Business, Social & Services

2040

05

Net Zero Emissions

Although the Indian government targets are 2070, we are still projecting to meet it by 2040, or at least be carbon neutral.

Product Safety Stewardship and Customer Communication

Roop Automotives Limited champions ethical manufacturing, with 100% of products certified conflict-free and compliant, transparently communicated through International Material Data System (IMDS)/ Material Safety Data Sheet (MSDS). Our commitment extends to 99% local material sourcing, emphasizing sustainability, with future plans for LCA implementation, while adhering meticulously to Automotive Industry Action Group (AIAG) guidelines for product labelling at Roop Automotives Limited, meeting customer requirements with precision and compliance.

- Sustainable processes for planet protection
- Fostering collaboration for a socio-responsible future
- Good Governance and Economic performance for sustained growth
- Sustainable Supply Chain



Our Sustainability Goals



Green Electricity:

Goal: Utilize 100% green electricity in the production of customer products.

Plan: We are committed to achieving Renewable Energy/Green Electricity (RE/GE) 100% by 2025, supported by a comprehensive roadmap and strategy.

Zero Discharge:

Goal: Attain zero discharge status across all plants.

Current Status: One plant has already achieved zero discharge.

Plan: The remaining plants will reach zero discharge by March 2025.



Green Steel:

Goal: Incorporate green steel into our manufacturing processes.

Supplier Initiative: Our primary steel supplier is installing a 50-megawatt solar plant for captive consumption, expected to be operational by December 2024.

GreenCo Certification:

Goal: Obtain GreenCo certification for all facilities.

Current Status: The Chennai plant is certified with GreenCo.

Plan: We plan to secure GreenCo certification for additional locations by FY 2025 end.



Roop Automotives Limited Sustainability Strategy

Governance and Economics



Customer Privacy and data Security

- Supplier Communication on Privacy and data security
- Awareness and Adherence to Privacy and data security laws



Product Quality and LCA

- Product Stewardship Environmental Performance.
- Product LCA



Customer performance & Demand

- Improvement in Customer rating & Customer Complaint handling lead time
- Customer ESG performance



Market Demand Response

- Product Environmental Performance.
- New product development increase
- Product Development lead-time



Direct economic value generated: revenues

- Revenue from operations % increase

Social



Occupational health and safety

- Zero incident
- TRIR
- Training
- Medical checks - annually



Community development

- Reach of Community program nearby operations
- Number of beneficiary increase



Roop Automotives Limited Sustainability Strategy

Sustainable Supply Chain



Supplier environmental Performance

- Environment and OH – S implementation in Value chain.
- ESG Awareness for Suppliers
- Net Zero

Environment



GHG

- GHG intensity



Water Emissions

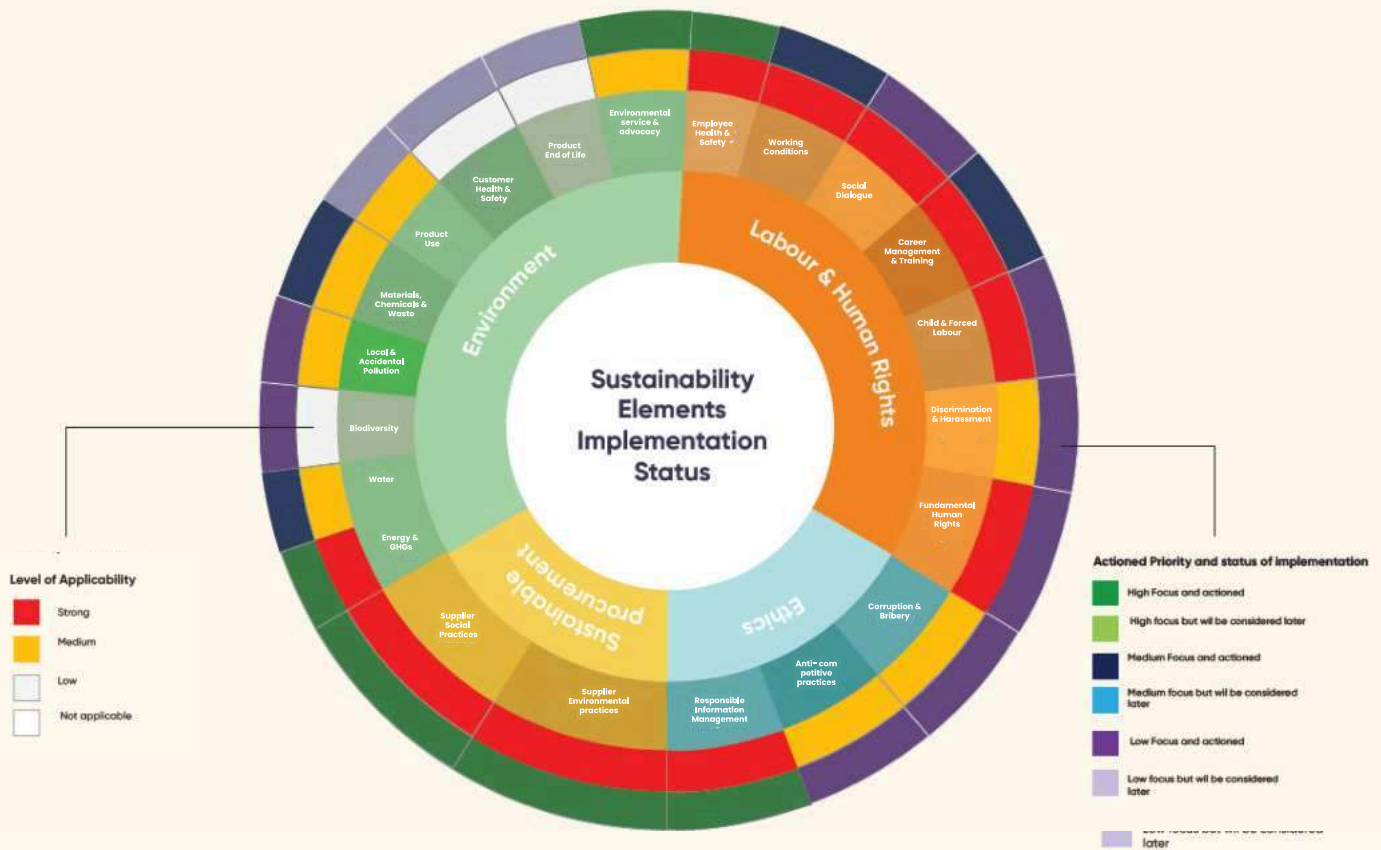
- Reduction in water use.



Net Zero

- Implementation of net zero
- Energy intensity

Sustainability Elements Implementation Status



Our Journey across the value chain

At Roop Automotives Limited, our commitment to sustainability extends beyond procurement, product delivery and cost reduction. We have conducted a comprehensive evaluation of our sites, focusing on Environment, Labor and Human Rights, Ethics and Sustainable Procurement. This thorough assessment has identified key areas requiring heightened attention and outlined actionable stages, enabling us to integrate ESG principles across our operations.

Additionally, we customize Sustainability Assessment program with a major customer, which evaluates our performance in Business Ethics, Human Rights, Working Conditions, Health and Safety, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials. This annual program will ensure continual improvement and support our alignment with sustainability objectives.



Stakeholder Engagement Plan

Our Stakeholder Engagement Plan has been crafted through extensive consultation with various departments, including the ESG Strategy Committee, Head of Departments (HODs), Human Resources (HR), Personnel and Administration (P&A), Process Resource Control (PRC) and Purchasing. This collaborative and inclusive approach ensures that decision-making incorporates diverse perspectives. By employing a range of engagement mechanisms, we aim to foster an environment where stakeholders feel heard and actively participate in advancing our shared sustainability goals.

Stakeholders	Objectives	ESG / Sustainability Topics	Engagement Forums
Management / Board	Ensure strategic alignment and commitment to sustainability goals	- Material issues - ESG strategy - ESG performance review - ESG stakeholder communication - New business models/practices and technology	Board Meetings / management review meetings Customer Sustainability communication catalogue Annual reports (MCA site)
Investor / Bank / Financial institutes	Demonstrate long-term value creation and financial stability.	Environmental and Social compliance	Yearly/as & when asked
Government department	Comply with regulations and collaborate on sustainable development	Environment & social compliance regulations and certification	Reports & Returns as per requirement and as and when required
Employees	Foster a culture of sustainability and employee engagement.	- Workplace Diversity and Inclusion - Employee Training and development - Occupational health and safety New business models/practices and technology	Half yearly- Trainings & awareness

Stakeholders	Objectives	ESG / Sustainability Topics	Engagement Forums
Worker Representatives	Represent worker interests and ensure fair labor practice	Labor Rights and Fair Wages Employee Representation Collective Bargaining	• Works committee • Safety committee • Grievance handling committee • Celebrations Speak up – helpline • Interaction with top management
Suppliers & Vendors	Promote sustainability throughout the supply chain.	Supplier environmental, labour human rights, ethics and sustainable procurement of their suppliers	• Monthly meeting with SDC – Supplier development cluster • Monthly supplier performance evaluation on productivity, quality & delivery • Annual supplier audits (RM & Subcontracted suppliers)/ Self-assessment • Annual supplier meets • Periodical trainings
Customer	Comply with regulations and collaborate on sustainable development	Sustainable Product Design Supply Chain Transparency Customer Privacy and Data Security Customer performance and demands Product quality, safety & Environmental requirements	• Customer performance rating (customer – monthly), Customer satisfaction survey annually and regular discussion with customer for improvement • Customer Sustainability communication catalogue
External Auditors	Ensure accurate and transparent reporting of Financial data & system audits, sustainability metrics.	Sustainable Financial Practices Transparency in Reporting Compliance Assurance Compliances to laws and regulations	Annually / as & when needed

Stakeholders	Objectives	ESG / Sustainability Topics	Engagement Forums
Professional Institutes /Associations	Share best practices obtain certifications	- Adherence to Sustainability Standards – Eg: GreenCo, ISO Standards, GreenPro, Green building etc.. Responsible Business Practices in the sector - New learnings from peer Industry - Requirements of local associations	- Industry Conferences - Awards ceremony - Industry association meetings
Consultants	Obtain expert guidance on sustainability strategy and reporting.	Sustainability Assessment and Planning Expert Guidance on ESG Integration Trend Analysis and Best Practices	As and when required
Neighbouring Organisation	Foster positive relationships and minimize local environmental and social impacts.	Community Collaboration Initiatives Shared Environmental Impact Reduction Water management	- Industrial associations / Govt. - Interaction as & when required
Local Community	Contribute positively to the well-being of the local community.	- Climate action - Quality Education - Good health & wellbeing Gender Equality - Zero Hunger	- CSR Sandesh – Biannual magazine - Monthly meetings
NGO	Build positive relationships and address concerns raised by non-governmental organizations	- LGBTQI with Pride circle - Empowering Specially abled with E.g.: Swayam - Zero hunger with ISKCON & Utsav - Skill development & women empowerment, Good Health & wellbeing with VK Jain Foundation	Review meeting Monthly/quarterly / annual