

MAHINDRA GROUP'S BIODIVERSITY POLICY

Biodiversity¹ is a key theme in the **United Nations' 2030 Agenda for Sustainable Development**. Both governments and private sector organizations are being called upon to realize Sustainable Development Goals (SDGs) 14 and 15.

- **SDG 14** states "Conserve and sustainably use the oceans, seas and marine resources for sustainable development."
- **SDG 15** states "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss."

The **Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)** issued the global assessment report on biodiversity and ecosystem services in 2019, highlighting that biodiversity is declining in every region and issues an urgent call to halt and reverse the unsustainable use of nature.

In 2022, the historic **Kunming-Montreal Global Biodiversity Framework** was adopted by the parties to the **United Nations Convention on Biological Diversity**. Among the Framework's key elements are 4 goals for 2050 and 23 targets for 2030. Its 2050 vision is a world of 'living in harmony with nature' where 'biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people'. **The Framework importantly includes in its global targets for 2030 a target for businesses**, to 'regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity (Target 15: Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts).

At Mahindra Group, we recognise our impacts and dependencies on biodiversity and ecosystem services in our operations and in the value chain. Considering our linkages with biodiversity and ecosystem services, we are committed to its conservation, sustainable utilisation, management, and restoration, as applicable.

To support this commitment, Mahindra Group has developed a Biodiversity Policy, defining specific, meaningful guidelines for doing business in a manner that is in keeping with our objective to "**Operate in Harmony with Nature**". This policy features the standards and corresponding action areas pertaining to nature and biodiversity for all Group companies.

1. **Assessment of impacts and dependencies of our own operations on biodiversity and Ecosystem Services.** To achieve this:
 - Undertake detailed assessment of ecosystems and biodiversity in and around our operations to understand nature related risks, impacts & dependencies.
 - Develop action plans to mitigate any negative impact on biodiversity and ecosystem due to our operations.
 - Incorporate biodiversity protection strategies (and offset negative impacts) during new construction or expansion projects.
 - Conduct third-party assessments for major facilities.
2. **Continue our efforts to incorporate No Net Loss² of Biodiversity**
To achieve this:
 - Adhere to the principle of **Mitigation Hierarchy** i.e., avoid, minimise, mitigate, and restore the impacts and dependencies of our operations on biodiversity and ecosystem services.

¹ Biodiversity is widely defined as 'the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species (genetic diversity), between species (species diversity) and of ecosystems (ecosystem diversity).'

² No net loss is defined as 'the point where impacts and dependencies on biodiversity and ecosystem are balanced by measures taken to avoid, minimize, mitigate, and restore.'

- Achieve **No Net Deforestation** by adhering to no deforestation practices as far as practicable across our operations, and actively engage in reforestation efforts, in the event that deforestation activities are unavoidable. Further to this commitment, we will also continue to engage with stakeholders, including local communities and environmental organizations, to promote and support sustainable nature management practices.
- Favor ecosystem-based approaches to address impacts and dependencies on nature.
- Monitor the action areas on regular basis to measure biodiversity-related progress.
- Protect and promote biodiversity conservation across the Group, including undertaking initiatives and projects that positively affect the ecosystem and the species in it.

3. Promote conservation of biodiversity across our value chain

To achieve this:

- Develop and share a Set of Practices for our value chain members to signal Mahindra Group's intent towards nature conservation and encourage them to adopt practices that favour nature.
- Encourage those suppliers whose actions are in alignment with this policy.
- Develop interventions to measure and support value chain partners in managing impacts and dependencies on biodiversity and ecosystem services.
- We expect our value chain partners to commit to avoiding operational activities in or near areas recognized for their global or national biodiversity significance and encourage alignment with established conservation priorities and applicable regulatory requirements.

4. Performance Management

To achieve this:

- Assign site-specific Biodiversity Champions to implement the policy.
- Develop KRAs of the Biodiversity Champions and their teams in alignment with this policy, along with defined performance improvement goals.
- Management performance evaluation – Management's KPIs will reflect environment & biodiversity goals.

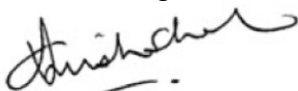
5. Advocacy and thought leadership

- Information disclosure: Periodically disclose nature-related performance and impacts publicly through credible, leading disclosure frameworks and bodies.
- Continue to foster important external memberships and partnerships to drive ambition and alliances for nature & biodiversity.
- Scale up employee awareness & education on biodiversity and nature
- Continue to lead domestic and global advocacy, both at an industry as well as policy level.

6. Governance

- Board oversight and Sub-committees like Sustainability Committee to oversee progress on the implementation of the Biodiversity Policy at our offices and business sites.
- Establish a channel through which employees and other organizations or individuals can report grievances related to biodiversity.

7. The policy will continue to drive Mahindra Group's commitment towards fulfilling the statutory requirement (SEBI-mandated BRSR) and voluntary obligation (eg: DJSI, CDP, etc.) for conservation and sustainable management of biodiversity and ecosystem services.



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