

ESG DATA BOOK

MRF

FY 24-25



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About MRF

MRF Limited (MRF) is one of India's largest tyre and rubber-products manufacturer, headquartered in Chennai, Tamil Nadu, India. Established in 1946 as a small balloon manufacturing unit in Tiruvottiyur, the company has grown over nearly eight decades into one of the country's most recognised and respected industrial enterprises. Incorporated as a public limited company in 1960-61, MRF has consistently demonstrated a commitment to manufacturing excellence, innovation, and customer trust.

Currently, MRF has a robust nationwide footprint comprising ten manufacturing plants that supply products across the country and rest of the world. The company's portfolio spans a wide range of automotive tyres for passenger cars, two-wheelers, three-wheelers, trucks, buses, off-the-road (OTR) vehicles, small-commercial vehicle (SCV), medium commercial vehicle (MCV), intermediate commercial vehicle (ICV), light commercial vehicle (LCV), pickup, aero, rally, farm and defence, as well as tubes, flaps, tread rubber and pre-cured tread rubber (PCTR). Select plants also produce high-precision tyres for aerospace applications, reflecting MRF's advanced technical capabilities. With a permanent workforce of approximately 6,775 employees and 11,075 workers, MRF maintains strong operational capacity across manufacturing, sales, distribution, and customer service.

MRF's market presence extends well beyond India, serving in more than 60 countries. The company has been consistently investing in strengthening its global competitiveness through technology upgrades, product innovation, and continuous improvement in quality systems, safety and sustainability.

All manufacturing plants are certified under internationally recognised management systems, including ISO 14001 for Environmental Management System, ISO 45001 for Occupational Health and Safety Management System, ISO 50001 for Energy Management Systems, ISO 9001 and IATF 16949 for Quality Management Systems. Additionally, two of our plants are certified with AS9100D which is the Quality Management System for supply to Aviation and Defence Industry. Furthermore, the company is also currently pursuing ISO 20400 certification for Sustainable Procurement Management practices.

MRF continues to maintain strong performance across its core business segments 'Automobile tyres, and tubes', supported by disciplined operations, product diversification, and a robust distribution network. The brand remains synonymous with trust, durability, and innovation, and is widely acknowledged as one of India's strongest and most iconic tyre brands.

The company's legacy of excellence, combined with its forward-looking approach to sustainability and governance, positions it as a benchmark for resilience and industry leadership in India and beyond.











Our Approach to Sustainability







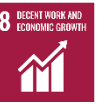


At MRF, sustainability is not a standalone initiative but a continuous journey that strengthens our business and supports the well-being of the communities and ecosystems we depend on. We are committed to minimising environmental impacts, enhancing workplace safety, fostering circularity, and deploying technologies that enable cleaner, more efficient operations. Guided by strong Environmental, Social, and Governance (ESG) principles, we embed sustainability into every facet of our operations to create long-term value for all stakeholders and contribute to a resilient, sustainable future.

This ESG Databook has been designed to complement our Business Responsibility and Sustainability Reporting (BRSR) disclosures, providing a clear view of our key ESG priorities and the progress we continue to make across these focus areas.

Reporting Period and Scope

All information in this report relates to the period from April 1, 2024 to March 31, 2025. Where relevant, we have included historical trends for key performance indicators (KPIs), including ESG metrics, to provide a comprehensive view of our value-creation journey. The scope of this report covers our 10 manufacturing plants and Research and Development (R&D) centres.

Material Issue	Description	UN SDG
Carbon Emissions	MRF continues to lower its emissions profile by adopting biofuels, expanding renewable energy use, and driving operational efficiency improvements across its plants. Further, this aligns with evolving regulations, rising global warming, and operational implications which are increasingly influencing market preferences for low-carbon products, particularly among automotive OEMs.	  
Water Management	MRF improves its water efficiency, reducing its demand for fresh water and also leveraging non-conventional sources such as seawater. Accelerated urban growth and expanding industrial activity are contributing to heightened water stress and periodic drought conditions. As a result, the depletion of natural resources poses tangible risks that require continuous management.	 
Energy Management	Ongoing technological advancements provide MRF with opportunities to undertake optimisation initiatives, transition to more energy-efficient systems, and further reduce its overall energy consumption footprint.	 
Opportunities in Renewable Energy	The expanding availability of renewable power sources is creating viable pathways for shifting from conventional fuels to cleaner alternatives, thereby lowering carbon emissions.	  

Toxic Emission and Waste	MRF has embedded strong engineering controls to ensure waste and emissions remain minimal. This practice aligns with stakeholder expectations, particularly customers, investors and broader community who are increasingly prioritising responsible waste and emissions management.	    
Occupational Health and Safety	MRF is dedicated to creating a work environment that is free from incidents and work-related illnesses by diligently monitoring health and safety performance, implementing clear measures, and fostering a proactive safety culture. Protecting employee welfare is a top priority to promote both physical and mental well-being.	   

Upholding our Responsibility to the Planet

MRF aims to position itself as a responsible pioneer in sustainability practices within the automotive components sector. In line with this ambition, the company integrates sustainability into core business decision-making, ensuring that environmental responsibility is deeply embedded across product development, manufacturing and day-to-day operations. As a practice, MRF follows a structured, long-term approach that combines policy commitments, operational discipline and continuous improvement to strengthen overall environmental performance. This approach is internally bolstered by governance mechanisms, cross-functional collaboration and routine performance monitoring that ensure consistency, accountability and transparent progress across all the plants. These efforts are guided by MRF's policies, which provides the overarching principles that shape environmental priorities, operational expectations and enterprise-wide alignment.

By advancing cleaner energy pathways, embedding circular material use, strengthening water efficiency and restoring natural ecosystems, MRF positions itself as a forward-looking industry leader that aligns business growth with global sustainability expectations while shaping a more regenerative and resource-efficient future for the automotive components sector.

This section outlines key initiatives undertaken across these four thematic areas such as Energy and emissions, Waste management, Water stewardship and Biodiversity. This demonstrates how MRF is progressing towards its long-term sustainability commitments while driving operational excellence across its manufacturing footprint.



Energy & Emissions

MRF is committed to achieving Carbon Neutrality by 2050, aligning its decarbonization strategy with global transition towards sustainable manufacturing, enhanced resource efficiency, and climate-resilient growth. As the automotive and components sectors transition to low-carbon value chains, MRF is proactively transforming its operations through advanced energy-efficiency measures, biofuels, low-emission technologies and a steady expansion of renewable and hybrid power. By strengthening process optimisation, emissions management and fuel transition pathways, the company is positioning itself as a future-ready manufacturer prepared to meet rising regulatory expectations, customer demands and global sustainability benchmarks.

MRF is aligned to its energy policy following the ISO 50001 guidelines, which emphasizes efficient energy management, minimizing environmental impact, and promoting overall sustainability. The company continually seeks to improve energy efficiency across all operational processes while ensuring full compliance with applicable regulations. The company strives to achieve carbon neutrality (scope 1 and 2) by 2050 with a medium-term target of 25% reduction of Scope 1 & 2 emission intensity by FY 2028 (Base year FY 2023). To this end, MRF sets and periodically reviews energy performance targets, implements comprehensive Energy Management Systems to drive continual improvement, and prioritizes energy-efficiency in procurement decisions. All manufacturing plants are required to follow the energy policy, with periodic reviews conducted by senior leadership to maintain and enhance its effectiveness.

Emission Intensity has improved from 1.23 tCO₂e per MT to 1.10 tCO₂e per MT compared to the previous year. Emissions Intensity has improved from 4.875 tCO₂e per million-rupee of turnover to 4.333 tCO₂e per million-rupee of turnover (48.75 tCO₂e per crore rupee of turnover to 43.33 tCO₂e per crore rupee of turnover).

Energy Management at MRF

MRF continues to advance its energy management practices across all manufacturing plants, with a sustained focus on efficiency improvements, optimisation of consumption patterns, and a gradual transition towards cleaner energy sources. In FY 2024-25, the company recorded steady energy performance, reflecting disciplined operational management. Energy consumed per million rupees of turnover was 34.89 GJ (348.9 GJ per crore rupee of turnover), indicating consistent energy use efficiency compared with the previous year. Energy intensity measured against physical output improved from 8.93 GJ to 8.89 GJ, reaffirming MRF's continued emphasis on process optimisation, deployment of energy-efficient technologies, and responsible energy use across its manufacturing footprint.

Cleaner and Low-Carbon Fuel Transition

A key dimension of MRF's decarbonisation pathway is the organic transition to cleaner fuels, which is reshaping how thermal energy is generated across its plants. Biomass substitution projects have been initiated at applicable locations, offering a lower-carbon alternative without disrupting existing operations.



In parallel, one of the plants has moved from carbon-intensive fuel to Piped Natural Gas (PNG) for steam generation, a shift that improves combustion efficiency and contributes to substantial reductions in Scope 1 emissions. Some plants are also deploying nitrogen-based curing systems to reduce energy consumption in the processes, thereby reducing overall thermal demand. As these measures scale, MRF is steadily increasing

the share of cleaner fuels in its energy mix, reinforcing its broader plan to limit direct emissions and strengthen long-term decarbonisation outcomes.

MRF is advancing its long-term decarbonisation pathway through a significant clean energy investment of INR 990 million (INR 99 crores) in a phased manner. By securing a 26% equity stake in a strategic partner involved in the business of renewable energy generation, MRF is enabling a steady shift away from fossil-fuel-based energy and reinforcing India's broader transition towards a low-carbon economy.

Through this investment, MRF is improving its cost stability, and creating a reliable foundation for sustained renewable energy integration across its operations. The partnership directly supports the company's climate ambitions, including the goal of achieving carbon neutrality by 2050.

Strengthening Renewable and Hybrid Power Use

MRF is gradually increasing the share of renewable and hybrid power within its overall energy mix, strengthening the transition towards lower-carbon electricity. In a step towards this transition, the company is planning further expansion through a hybrid renewable procurement setup while also integrating waste-heat energy recovery into HVAC applications to moderate power demand across its plants.

Energy Efficiency and Operational Improvements

MRF continues to invest in initiatives that enhance energy efficiency, reduce emissions, and improve water conservation. These efforts are driving a range of operational improvements that are steadily reducing the company's overall energy use and emissions footprint. Plants are increasingly adopting smart design features that promote natural ventilation in place of traditional cooling systems, lowering electricity consumption and contributing to reductions in Scope 2 emissions. This transition is further supported by hybrid cooling solutions, targeted HVAC upgrades, and process-level optimisations that collectively reduce power demand.

On the thermal side, burner upgrades are improving fuel efficiency, while plant teams consistently monitor and manage specific energy consumption for both fuel and power. At one facility, steam is procured externally from a waste heat recovery boiler, enabling the use of de-superheated steam in select processes

and reducing the need for on-site thermal generation. Few locations have also installed flash condensate for reuse in boilers. Additionally, another plant has strengthened thermal efficiency efforts by installing an economizer that recovers residual heat from flue gases.

At all MRF plants, a series of emission reduction measures have been implemented following a structured approach of avoiding, reducing, controlling, and monitoring emissions. As part of this effort, specific fuel and power consumption are regularly monitored to drive continuous efficiency improvements. This includes removing sources of emissions where possible, improving boiler efficiency, deploying advanced pollution control equipment, continuously monitoring stack emissions, and offsetting with non-polluting fuels.

Air Emissions Control and Pollution Management

MRF ensures full compliance with emission standards set by the State Pollution Control Boards & committees and reports its performance on a regular basis. Emissions control is embedded into plant design, with Wet Scrubbers, Electrostatic Precipitators (ESPs), dust collectors and fume-extraction systems installed across boilers, curing zones and other operational areas to manage particulate matter effectively. Internal protocols define the technical specifications for ESPs, RCC chimneys and fly-ash handling systems, ensuring consistent and reliable performance across locations.



Particulate matter (PM_{2.5} and PM₁₀), SO₂, NO_x and VOC levels, amongst others, are monitored routinely and continue to remain within applicable limits, VOC testing undertaken at all plants. Dust and carbon residues collected from control systems are channelled exclusively to authorised recyclers, reinforcing safe, environment friendly waste handling practices that are in full compliance to applicable laws. Stack emissions are carefully monitored across all categories, with particulate matter consistently maintained within State Pollution Control Board conditions.

Operational improvements further strengthen local air-quality outcomes. Natural ventilation systems adopted at some of our plants to enhance workplace conditions, while the introduction of battery-operated Material Handling Equipment (MHE) over time offers a low-emission, low-noise alternative that reduces local air pollution and supports cleaner shop-floor operations.

Leak Detection and Repair (LDAR)

MRF proactively monitors leaks through a comprehensive Leak Detection and Repair (LDAR) system designed to minimise fugitive emissions and enhance operational efficiency. Regular inspections identify and address leaks across steam, refrigerant gas, and compressed-air lines, helping reduce energy losses and maintain system performance.

To control particulate emissions, MRF has installed pulse-jet and shaker-type bag filters in its Banbury mixing unit, enabling the capture of fine dust and the reuse of recovered carbon black in production.

The company also maintains a structured monitoring and servicing regime for all refrigeration units and is progressively phasing out ozone-depleting substances. The shift to alternatives such as R32, known for higher cooling efficiency and zero ozone-depletion potential underscores MRF's commitment to responsible refrigerant management and environmental compliance.

Waste Management & Circularity

MRF is advancing a structured pathway towards responsible waste management, reflecting the company's aspiration to set new benchmarks for circularity within the tyre and rubber manufacturing sector. At a time when global industries are rethinking material lifecycles and moving towards regenerative production model, MRF is positioning itself at the forefront through disciplined stewardship and innovation.

MRF is prioritising reduction as the first step in its waste management hierarchy, focusing on minimising waste generation at source through improved process efficiency and material optimisation. Further, the company is strengthening segregation, recovery and recycling systems while investing in next-generation material solutions that transform waste into resources, reinforcing MRF's reputation as a forward-looking and environmentally responsible industry leader.

Waste Management at MRF

MRF strengthens its waste management practices across all plants, with a strong focus on recycling, recovery, and environmentally responsible disposal. MRF recorded stable waste management in FY 2024-25. Waste generated per million-rupee of turnover stood at 0.185 MT (1.85 MT per crore rupee of turnover), indicating consistent resource efficiency in line with the previous year. Waste intensity measured against physical output remained constant at 0.05 MT, demonstrating the company's continued emphasis on process optimisation and responsible material use across its manufacturing operations.

All waste streams are segregated, labelled, stored and disposed in compliance with regulatory requirements. Hazardous wastes are disposed exclusively through authorized agencies, while plastic and tyre waste are managed via EPR (Extended Producers Responsibility) - compliant recyclers and approved vendors. Overall, the company's initiatives reflect a positive trajectory in sustainable waste management, with measurable reductions across key categories and increasing emphasis on recovery and recycling practices.

Use of Eco-Friendly and Bio-Based Materials

MRF is increasingly integrating eco-friendly, bio-based and lower-impact input materials into its product portfolio. The company's material strategy focuses on adopting alternatives that enhance product sustainability without compromising performance. Ongoing R&D programmes are accelerating the substitution of conventional raw materials with next-generation options derived from biomass, by-products, waste sources and other environmentally sustainable feedstocks.

Complementing these efforts, MRF demonstrates its commitment to responsible sourcing through a comprehensive ethical conduct, environmental protection and transparent supply chain practices. The policy, aligned with applicable International Labour Organizations (ILO) conventions and the UN Guiding Principles on Business and Human Rights, reiterates the company's preference for responsibly produced natural rubber and eco-friendly input materials. It mandates compliance with applicable laws,

safeguards human rights, protects forests and biodiversity, enhances supply chain traceability and promotes community well-being. All plants, offices and applicable business functions adhere to this policy, with ongoing engagement, capacity building and public reporting strengthening its implementation.

Initiatives on Research and Development towards circularity

Actioning the commitment to eco-friendly products, the company is developing low rolling-resistance tyres that help improve vehicular fuel efficiency, thereby reducing CO₂ emissions during vehicle use. The company is also enhancing the incorporation of recycled materials from end-of-life tyres into new products and promoting multiple-retread tyres supported by in-house retreading capabilities. Simultaneously, R&D teams are working towards scaling the use of renewable raw materials in our products, thereby reducing our carbon footprints. These initiatives reflect a shift towards more sustainable tyre technologies anchored in material innovation, durability and circular design.

MRF's retreading initiative plays a pivotal role in conserving both energy and raw materials, as its tyres are engineered for extended life and can undergo multiple retread cycles based on operating conditions. The program significantly contributes to energy- and raw material savings, with its durable tyres capable of multiple retreads, depending on the terrain, potentially reducing greenhouse gas emissions by up to 70%, as per global benchmarks. The company has also broadened the use of sustainable inputs across its entire tyre portfolio.

Material Substitution and Import Reduction Initiatives

MRF sourced 76% of its input materials (by value) directly from within India in FY24-25, reflecting a 5% increase from FY23-24, strengthening supply security and reducing dependency on imports. The company is collaborating with domestic suppliers through joint development programmes for critical inputs such as sulphur, resorcinol-formaldehyde resins, accelerators, antioxidants, butyl rubber, halobutyl rubber, microcrystalline wax and advanced tackifier resins. These collaborations support both import substitution and the company's transition towards more sustainable chemical and material systems.

In alignment with regulatory standards such as R117 and AIS 142, the company has developed low rolling resistance tyres approved by both Indian and global passenger car OEMs, with similar innovations underway for commercial vehicle tyres. The prototype tyres incorporate a wide spectrum of sustainable inputs including natural rubber, synthetic rubber from bio-sources, silica from rice husk ash, sustainable carbon black, bio-based oils and resins, and recovered materials like steel, polyester fabric, rubber crumb, and carbon black from used tyres, demonstrating MRF's holistic approach to sustainability and innovation.

Transition to Safer, Less Hazardous Substances

MRF provides its stakeholders with formal declarations confirming non-use of lead, mercury, cadmium and chromium in line with the Restriction of Hazardous Substances (RoHS) and End-of-Life Vehicle (ELV) Directive, along with compliance to Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH) and the exclusion of polycyclic aromatic hydrocarbons. Ahead of compliance, the company is proactively progressing to substitute conventional potentially hazardous materials with safer alternatives and increasing the proportion of environmentally preferable substances in its manufacturing processes. These improvements are supported by structured R&D, supplier engagement and internal controls that track and verify material changes.

Process Optimisation for Material Efficiency

Continuous process optimisation plays a central role in reducing raw material and chemical consumption. MRF is systematically refining mixing, compounding and curing operations to minimise material losses and achieve more consistent product quality. Annual reductions in material usage are monitored and reported to statutory authorities. These operational improvements are reinforced by a strong in-house R&D ecosystem that collaborates with leading institutions in India and overseas. Research programmes cover advanced tyre-material interfaces, Nano and nanostructured materials, noise-vibration-harshness performance and bio-derived inputs, all of which contribute to the development of greener, more efficient tyre technologies.

Water Stewardship

As global manufacturing pivots toward a more resilient and resource-efficient operating model, MRF is proactively aligning itself with the highest standards of industrial water responsibility.

The company is advancing its water stewardship through innovative conservation technologies centred on process improvisation such as nitrogen-based curing processes, structured reuse systems, and targeted efficiency enhancements. Complementing these efforts, it also procures steam produced through a waste heat energy recovery (WHR) boiler, reducing reliance on on-site thermal generation and strengthening progress towards lowering freshwater demand. These efforts underscore MRF's commitment to becoming a sector leader in sustainable water management and advancing its journey towards reducing its freshwater dependency.

The company reuses treated effluents from ETPs and STPs for various process and utility applications. Additional wastewater recycling plants are being established wherein two are fully operational, one is under implementation, and few more are planned for the future-laying the foundation for sustained improvements in water circularity.

Water Management & Efficiency

MRF continues to strengthen its approach to water stewardship across all manufacturing locations, with sustained progress reflected in key performance indicators for FY 2024-25. Water intensity stood at 11.149 KL per million-rupee of turnover (111.49 KL per crore rupee of turnover), indicating continued improvements in resource efficiency compared to the previous year. Water intensity measured against physical output improved to 2.84 from 3.12, reinforcing the impact of process enhancements, recycling initiatives, and disciplined water management practices across plants. Notably, one of MRF's plants meets 100% of its water requirement through desalinated sea water, significant investments were made for reducing the dependence on freshwater sources and highlighting the company's commitment to long-term water resilience.

MRF is strengthening water stewardship across its plants through innovative recycling systems, closed-loop cooling, and process-level efficiencies that reduce freshwater consumption and enhance circular water use. The company plans to treat and reuse municipal wastewater and effluents from the STPs for various processes and utility applications in the future.

Wastewater Recycling and Condensate Recovery



Building on these systems, MRF has installed 400 KLD and 300 KLD wastewater recycling plants at two of its plants to convert treated wastewater into RO-quality process water. Steam condensate recovery has also been integrated into operations, where process condensate is reused in cooling tower and AHU applications at one of our plants, reducing the need for fresh make-up water.

Closed-Loop and Hybrid Cooling Technologies

Closed-loop cooling technologies form another critical component of MRF's water management approach. The company has adopted adiabatic (hybrid) cooling systems, radiator air-cooled units, VAM chillers and plate heat exchangers, all of which re-circulate and reuse water while substantially improving operational efficiency. These technologies have delivered measurable outcomes; for instance, one of our plants has achieved about 25% reduction in freshwater consumption by combining recycling systems, condensate recovery and process-water reuse.



Process Optimisation and Sustainable Infrastructure Investments

Complementing these operational systems, MRF is investing in advanced water-efficient technologies as part of its broader sustainability capital programme. Key measures include rainwater harvesting systems, mechanical evaporators, reuse of RO reject water for domestic applications, and recovery of AC and canteen condensate. Process optimisation initiatives - such as cooling-tower blowdown based on process parameters and nitrogen-based curing - which further contributes to reduced water consumption and improved efficiency.

Recognition and Performance Assessments

The company's sustained efforts in responsible water management have earned recognition from external bodies. In January 2025, two MRF plants received awards from the CII Southern Region for excellence in "Rainwater Harvesting and Groundwater Recharge" and "Best Water Conservation and Efficiency Initiative" respectively.



To further strengthen its approach, MRF has conducted water-stress assessments using WRI Aqueduct and performance reviews aligned with the International Water Stewardship Standard (AWS) to identify site-specific risks and improvement opportunities. Complementing these initiatives, MRF draws on Central Ground Water Board (CGWB) data to map regional hotspots and guide targeted improvement actions.

Biodiversity

MRF is committed to investing in ecological restoration and landscape enhancement at its operational locations, with a focus on expanding green cover, and implementing community-based biodiversity initiatives. Each location adopts measures that enhance ecosystem resilience while fostering healthier and more sustainable environments.

Enhancing Biodiversity Through Natural Rubber Plantation Development

MRF continues to advance large-scale biodiversity enhancement by being a major stakeholder of the Indian Natural Rubber Operations for Assisted Development (INROAD), a Public-Private Partnership led by the Automotive Tyre Manufacturers' Association (ATMA) in collaboration with the Rubber Board of India. The programme is designed to expand natural rubber cultivation in non-traditional geographies across the North-east India, thereby restoring degraded land, strengthening ecological balance, and improving long-term resource resilience. INROAD represents a first-of-its-kind global effort where the tyre industry directly invests in plantation development, contributing to both environmental regeneration and rural livelihoods.



The initiative emphasises sustainable plantation practices, soil restoration, and the creation of large extent of green cover. Activities under the programme include planting, community training on sustainable agroforestry techniques, establishment of processing infrastructure such as smokehouses, and ongoing technical support for small growers. By promoting responsible cultivation practices, the programme supports healthier ecosystems while enabling communities to benefit from climate-resilient livelihood opportunities.

Plantation and Ecological Impact Summary

Over the past five years, the initiative has brought approximately 1,24,699 hectares under plantation as of FY 24-25. Plantation density remains consistent at around 450 trees per hectare, contributing significantly to long-term carbon sequestration potential, enhanced soil stability, and broader ecological restoration in the region.



The programme has supported 1,35,516 beneficiaries up to FY 24-25 through training, and improved access to sustainable cultivation practices. A total investment of INR 76024 Million has been made over five years, of which MRF has contributed approximately 38.42% (INR 2920 Million). Based on expenditure proportion, MRF's contribution corresponds to nearly 52,065 hectares- equivalent plantation area developed under the initiative.

At one of its plants, MRF has implemented natural ground-cover solutions to stabilize sloped terrain and prevent erosion. Extensive cultivation of buffalo grass has been carried out to improve soil structure, while bamboo plantations along vulnerable slopes help reinforce the soil and reduce runoff. These efforts contribute to a more stable landscape and support microhabitats that promote local biodiversity.

At another plant, biodiversity initiatives are integrated throughout the 110.23-acre campus, with 54.72 acres (nearly 50%) designated as a green belt, which is home to 8,108 trees. These plantings act as effective carbon sinks, further demonstrating MRF's dedication to ecological sustainability.

MRF extends its biodiversity commitments beyond the boundaries of its plants by actively engaging with neighbouring communities and institutions.

Through these integrated actions ranging from soil stabilisation and habitat creation to afforestation and community engagement, MRF is steadily enhancing biodiversity value across its operational footprint and supporting long-term ecological well-being.

Building a Workforce Where People Thrive

MRF's long-term success is rooted in its belief that people - employees, workmen, and the wider community, are the true drivers of organisational progress. Operating in a manufacturing-intensive sector where human skill, precision, and discipline are central to operational reliability, the company recognises that investing in people is inseparable from sustaining productivity, innovation, and long-term resilience. MRF continues to cultivate a workplace where individuals are respected, empowered, and supported through transparent systems, accessible communication channels, and equal opportunity across all roles and locations.

This commitment is anchored in four core pillars of its social responsibility approach: fair and responsible hiring practices that uphold the highest ethical standards; inclusive and equitable workplaces that ensure dignity and non-discrimination; transparent and growth-oriented employee development frameworks that enable long-term careers; and unwavering health, safety, and well-being systems that protect people in every operational environment.

Guided by these principles, MRF is strengthening processes that ensure merit-based recruitment, reinforce employee voice, expand learning and development pathways, and safeguard all workers through robust safety governance and emergency preparedness systems. These efforts are complemented by structured policy frameworks, compliance mechanisms, and continuous monitoring that maintain consistency across all offices and plants while encouraging employees to participate actively in shaping safer, more inclusive, and more supportive workplaces.

As the organisation grows, it remains deeply focused on building a culture where trust, capability, and safety reinforce one another - enabling people to thrive, take pride in their contribution, and play an integral role in driving collective progress.

This section outlines MRF's ongoing efforts across hiring and career development, working conditions and grievance management, diversity and inclusion, comprehensive health and safety systems and community engagements.



Employees: The Driving Force of MRF

MRF is consistently strengthening its approach to hiring, talent management, and long-term career growth, ensuring that employees experience a transparent, fair, and growth-oriented work environment.

Ethical Talent Acquisition

MRF upholds a zero-tolerance approach to child labour and is committed to complete compliance with international human rights standards and national legal requirements.

The company's Policy on Principles of Sustainability and Responsible Business Conduct articulates this commitment, reaffirmed through the Code of Conduct which clearly prohibits the hiring of underage workers in any form. MRF's hiring protocols incorporate explicit measures to prevent the engagement of individuals below the statutory working age, aligning with the applicable definition of young workers. During onboarding, all new employees are required to submit primary government-issued identification documents, such as Aadhaar or equivalent certificates, enabling accurate verification of age and citizenship. This process ensures that age-related hiring restrictions mandated by local regulations are operationalized and clearly communicated to the all employees and workmen through policy circulation, induction processes, and continuous compliance training. By implementing these consistent checks and maintaining awareness of the company's stance, MRF is ensuring robust adherence to legal and ethical labour standards.

Strengthening Trust through Transparency

MRF ensures that all employees have clear visibility into the company's remuneration structure and the processes related to salary advancement. This transparency is maintained through MRF policies and regular communication channels such as employee committee forums, the intranet portal, cross-functional committees, and notice boards across plants and offices.

At MRF, we strongly ensure that every employee is provided equal opportunity as reflected in MRF's policies, which is available on the employee self-service intranet portal.

By consistently sharing information and maintaining open dialogue, MRF strengthens trust and ensures that every employee understands the systems guiding their compensation and growth.

Performance Development

MRF is maintaining a structured performance review and development framework that is conducted annually for all employees. Through this process, the company is continuing to set clear, internally defined development plans that guide employees in strengthening their current performance while preparing them for future roles. Employees receive constructive feedback, tailored guidance, and opportunities to explore learning avenues relevant to their aspirations. These mechanisms collectively demonstrate MRF's commitment to help employees pursue their personal and professional development goals.

Additionally, MRF encourages its employees to join relevant professional bodies to enhance their professional development, stay updated on industry trends, and network with peers, fostering a culture of continuous learning and collaboration.

MRF's Training Policy aims to continuously enhance employee knowledge, skills, and behaviours to improve performance. The company identifies and documents individual training needs annually through competence evaluations, develops and publishes a structured training calendar, and delivers both scheduled and on-the-job training based on these needs. Training effectiveness is regularly monitored and evaluated to determine requirements for subsequent cycles. At the plant level, Senior General Managers, General Managers, and Plant Managers are responsible for implementing training activities through their respective HR departments and the Corporate Office.

Fostering an Inclusive Workplace

By combining transparent communication, structured performance management, personalised development planning, and rigorous hiring checks, MRF nurtures a workplace where employees feel supported, valued, and empowered to grow. The company's approach reflects its long-standing commitment to creating a fair, ethical, and talent-driven environment that enables individuals to build meaningful careers while contributing to organisational progress.

Enhancing Workplace Well-Being

MRF is committed to sustaining safe, respectful, and supportive working conditions throughout all its operations. The company is continuing to strengthen its communication channels so that employees and workmen can voice concerns, seek clarifications, and actively participate in shaping a positive workplace environment.

Empowering Employee Voice

MRF maintains a two-way communication system that enables employees to directly engage with leadership and functional teams on matters concerning working conditions and overall well-being. This is facilitated through multiple channels, including employee committee discussions on safety, transport, canteen services, and other workplace matters. These platforms enable employees to raise concerns directly, while allowing management to respond in real time, ensuring open, two-way communication that remains constructive and solution oriented. In these structured interactions, employees/workmen provide inputs on working conditions, safety concerns, and operational challenges, while managers communicate decisions, explain policies, and address queries. These sessions are implemented regularly and are an integral part of the company's approach to ensuring that employee perspectives are considered completely and positively influence workplace improvements. Such meetings are documented, potential action areas are tracked until closure, demonstrating continuity, responsiveness, and action-oriented leadership.

Workers are covered under Long Term Settlements between the Workers' Union and the Company, which are renewed at defined intervals. Remuneration is revised at the time of each renewal, and workmen may be considered for promotion to the supervisor or staff category, based on organisational need and demonstrated performance.

Notably, all MRF plants have dedicated Family Welfare Officers who regularly engage with employees on their mental and physical well-being, offering guidance, support, and a confidential point of contact for personal or workplace concerns. This unique approach reflects MRF's commitment to fostering a caring and holistic employee support system beyond statutory requirements.

Employee Wellbeing & Benefits

MRF extends a comprehensive suite of statutory and company-specific benefits, including maternity, sick, casual, and privileged leave (with provisions for encashment), and leave travel allowance, along with eligible superannuation benefits. Medical insurance including group coverage, and accident insurance are provided to employees, with additional health-related activities as applicable. The company also offers an annual complimentary health check-up for employees aged 40 years and above. Select plants also provide crèche facilities in line with the requirements of the Factories Act.

MRF actively provides generous assistance for staff with special children. This initiative aims to support educational, medical, or physiotherapy expenses for special children. Additionally, post-retirement medical benefit is provided to employees after they retire financial assistance for healthcare expenses, ensuring continued access to necessary medical care.

MRF also provides schemes and benefits to employees and their families as follows:

The Mammen Mappillai Educational Scholarship is a merit-based initiative for the children of MRF employees, offering financial support for educational pursuits from 6th grade through to professional courses including undergraduate diplomas and post-graduate master's programs in medicine, business, engineering amongst others. This scholarship is designed to encourage academic excellence and assist families in managing educational expenses within a specified budget.

As part of professional pursuit policy, the company supports professional or technical courses from reputable institutes that provide valid certifications or degrees. Courses must be relevant to the employee's current or potential role and exclude general degrees in arts, science, or commerce. In this way, MRF ensures ample opportunity and resources for employee development.

The employee self-service portal hosts key policies and information, including leave entitlements, tax details and declarations, and other relevant employment-related documents.

Robust Grievance Redressal Mechanism

MRF operates a comprehensive grievance redressal mechanism that supports employees, workmen, and other stakeholders in reporting concerns in a safe, accessible, and transparent manner. Employees may raise grievances directly with their reporting supervisors, HR heads, or through recognised unions, in accordance with procedures established under the Standing Orders. The Company also maintains a Vigil Mechanism, which includes a dedicated Whistleblower mechanism. In alignment with statutory obligations, MRF has constituted an Internal Complaints Committee (ICC) to address grievances under the Prevention of Sexual Harassment (POSH) Act, reinforcing its commitment to a respectful and secure work environment.

The Vigil Mechanism, established in line with the Companies Act, 2013 and SEBI Listing Regulations, provides directors, employees, and other stakeholders with a secure channel to report genuine concerns such as unethical behaviour, suspected fraud, or violations of the Company's Code of Conduct, with safeguards to protect Whistleblowers acting in good faith. Protected Disclosures must be made in writing either to the Company Secretary or, in certain cases, to senior management, who then forwards the complaint for appropriate action; matters involving a Director or the Company Secretary may be escalated directly to the Chair of the Audit Committee. Disclosures must contain complete factual details and cannot

be anonymous. All reports are examined by an Inquiry Officer appointed by the Audit Committee, who may seek expert assistance and conducts inquiries confidentially, ensuring fair opportunity for the subject(s) to respond. Confidentiality is maintained to the extent permitted by law, Whistleblowers are protected from retaliation, and disciplinary action may be taken if disclosures are found to be knowingly false or frivolous.

MRF's Commitment to Human Rights Policy

MRF's Human Rights Policy outlines its commitment to preventing child labour, forced labour, modern slavery and human trafficking, while upholding ethical recruitment practices, workplace health and safety, fair working hours, wages and benefits, and comprehensive human rights due diligence. The company has also established structured grievance and redressal mechanisms for both POSH-related matters and potential human rights violations.

To support these commitments, MRF has instituted a clear and robust framework for reporting human rights-related concerns. The whistle-blower mechanism and grievance channels are accessible to all stakeholder groups, ensuring that concerns can be raised freely and without linguistic, geographic, gender-related, or hierarchical barriers. Stakeholders may report issues through email, written submissions, or through designated touchpoints at MRF plants. Human rights-related concerns may be raised directly to supervisors or escalated through the vigil mechanism when confidentiality or neutrality is deemed necessary. MRF ensures non-retaliation by explicitly prohibiting punitive action against individuals who report concerns in good faith, reinforcing a safe environment for grievance submission. Confidentiality is maintained across the review and resolution stages, with information shared strictly on a 'need-to-know' basis within the authorised review committees. These safeguards collectively demonstrate that MRF's grievance system is not only effectively structured but also align with global principles of ethical conduct and human rights protection.

Diversity & Inclusion

MRF remains committed to fostering a workplace where diversity is respected, inclusion is actively practised, and equity is embedded across all stages of employment. The company ensures that its policies, procedures and day-to-day practices reflect a strong commitment to fairness, equal opportunity and non-discrimination.

Promoting Fair Recruitment

MRF's policies on Principles of Sustainability and Responsible Business Conduct, and the Code of Conduct clearly outlines its commitment to maintaining a work environment free from discrimination, inappropriate behaviour, harassment or any form of bias. These policies guide the company's recruitment processes by ensuring that all employment opportunities are based purely on merit, skills and professional capabilities. During the hiring phase, safeguards are integrated to ensure that candidates are evaluated objectively and have equal access to opportunities across all levels of the organisation. These principles extend to training, performance management and long-term career advancement processes, reinforcing MRF's commitment to equitable growth for every employee.

Fostering a Culture of Diversity Awareness

Awareness-building is a central element of MRF's inclusivity approach. The company conducts behavioural training programmes at regular intervals, including structured sessions on the Code of

Conduct that cover diversity, harassment prevention, respectful workplace behaviour and inclusion. These training programmes aim to cultivate shared responsibility among employees and leadership teams, ensuring that each individual understands the standards of conduct expected in maintaining a supportive and respectful environment.

The company maintains robust safeguards to prevent discrimination within professional development, promotion and other career-related processes. Career growth opportunities and advancements are guided by merit-based evaluation and conduct standards that emphasise fairness, transparency and capability. MRF has an Internal Complaints Committee in place to address concerns that are based on discrimination, harassment or unequal treatment, ensuring that grievances are handled impartially and in accordance with statutory requirements and the company's Code of Conduct.

Remediation & Support

MRF has also established structured remediation procedures to support individuals who may have been subjected to any form of discrimination or harassment. Employees may raise complaints directly with their supervisors, submit them to the HR department, or escalate concerns through the established Vigil Mechanism. Workmen may also route grievances through recognised unions or their supervisory authority. Committee provides a confidential and secure platform for reporting and resolution aligning with POSH policy. Confidentiality is preserved throughout the process, and retaliation against complainants is strictly prohibited.

Health and Safety

MRF is committed to safeguarding the mental and physical well-being of all their employees. With a people-first approach embedded in its culture, the company places employee protection, preparedness, and well-being at the centre of every process and decision. MRF continues to strengthen its health and safety practices through rigorous standards, structured risk assessments, preventive controls, and capability-building across all plants. By treating safety as a core organisational value and not just a compliance exercise, the company ensures that every individual works in a safe environment.

Occupational Health and Safety Management System

MRF maintains a comprehensive and rigorously implemented Occupational Health and Safety Management System that ensures safe working conditions across all its plants.

All manufacturing plants undergo external audits under ISO 45001, and every plant is currently certified to the ISO 45001 standard. All manufacturing plants have done a structured Hazard Identification and Risk Assessment (HIRA) which are carried out to identify potential hazards and strengthen existing control measures. This framework is further reinforced through periodic reviews of the Hazard Identification and Risk Assessment (HIRA) system, supplemented by a formal annual review. These evaluations help each plant assess the adequacy of existing safeguards and introduce additional controls as may be required, supporting continuous improvement in safety performance.

Management of Hazardous Substances

MRF manages hazardous substances with utmost care from the moment such substances are received until they are fully processed. Many substances are handled within closed-loop systems to minimise exposure; furthermore, access-controlled systems are established wherever required. Hazardous chemicals'

inventories are monitored through SAP R3 and other digital systems that help maintain strict control over their flow, storage, and usage. Each activity involving such substances is evaluated through detailed HIRA and Environmental Aspect–Impact Assessment studies, with inputs drawn directly from relevant Safety Data Sheets. Based on these assessments, control measures are adopted following the hierarchy of Elimination, Substitution, Engineering control, Administrative control and provision of PPE. Employees involved in handling hazardous substances are equipped with appropriate personal protective equipment (PPE), and all established controls are periodically verified by internal plant experts and ISO 14001 and ISO 45001 auditors.

Emergency Preparedness and Response Framework

Emergency preparedness forms a critical component of MRF's duty of care. All manufacturing plants have developed tailored Emergency Response and Preparedness Plans covering scenarios like major fire, chemical leaks, gas releases, electrical failures, heavy equipment accidents, food contamination, medical emergencies, infrastructure failures, and natural calamities such as cyclones or earthquakes. These plans outline the actions to be taken before, during, and after an emergency, define the command structure, specify alarm and communication protocols, and designate assembly areas and emergency control infrastructure. Each facility maintains a trained Emergency Response Team led by the Emergency Controller, supported by incident controllers and specialised coordinators for medical aid, utilities, security, communication, and fire response. These teams are equipped with the necessary resources and training to act decisively during critical events, ensuring a swift and organised response.

Mock drills are conducted at scheduled intervals to test the effectiveness of emergency plans and ensure readiness. Each drill is followed by a structured management review where identified gaps are analysed and corrective measures implemented to improve existing processes/systems. Regular refresher training programmes keep first aiders, emergency responders, and critical function holders updated on evolving risks, safety practices, and response techniques. Through this continuous cycle of practice, review, and enhancement, MRF strengthens its resilience and reinforces employee awareness on appropriate actions during emergencies.

In addition, all manufacturing plants are equipped with Occupational Health Centres (OHCs) to ensure prompt medical care and emergency response. Medical facilities are provided in line with the applicable State-wise Factory Rule requirements, with on-site or on-call medical support as mandated. All MRF plants have ambulances available at all times, and the plants have formal tie-ups with nearby hospitals for emergency medical support. The nature and extent of facilities vary to align with state-specific statutory requirements.

Safety Assessment

MRF further strengthens its safety governance through monthly audits, routine inspections, and structured reviews of machinery and infrastructure. New equipment installations undergo dedicated safety inspections involving cross-functional teams to verify safety features, evaluate operational risks, and document findings and recommendations. Responsible departments are required to close out the identified actions, and progress is reviewed during weekly safety meetings to ensure timely compliance. These systematic checks reinforce accountability across teams and ensure that every installation meets MRF's stringent safety standards before being commissioned.

Commitment to a Safe and Resilient Workplace

These efforts culminated in MRF being honoured with a prestigious recognition at the 16th edition of the CII (Confederation of Indian Industries) Southern Region EHS Excellence Awards



Through its integrated systems, including formal certifications, hazard assessments, emergency preparedness plans, extensive training, and continuous monitoring, MRF ensures that every employee is guided, protected, and empowered in maintaining a safe work environment. This comprehensive approach reflects the company's commitment to safeguarding people, enhancing operational resilience, and upholding the highest standards of health and safety across all its operations.

Community Engagement

MRF Limited's approach to community engagement over the last decade is anchored in direct, sustained and location-specific involvement with communities across its operational geographies. Between 2015 and 2025, the company has implemented over 550 CSR interventions, engaging beneficiaries across educational institutions, healthcare facilities, sports academies, rural habitations, urban local bodies and disaster-affected regions.

Structured Community Need Identification

Community engagement begins at the planning stage through structured consultations with district administrations, Panchayats, municipal corporations, school and college management committees, hospital authorities, police and civic departments, and implementing institutions. These consultations enable MRF to identify sector-specific gaps including shortages of classrooms, lack of diagnostic and medical equipment, water scarcity, sanitation deficits, inadequate sports infrastructure and livelihood vulnerabilities and align interventions accordingly. This participatory planning approach ensures compliance with Schedule VII of the Companies Act, 2013, while enhancing relevance, utilisation, ownership and community acceptance.



Education and Digital Inclusion

In the education sector, MRF engages directly with government schools, colleges, ITIs, research institutions and special education facilities. Community engagement includes the planning and execution of school buildings, classrooms, smart classrooms, computer laboratories, science laboratories, furniture, sanitation facilities, buses and sports infrastructure. Digital literacy is being strengthened through the provision of computers, printers, IT infrastructure and smart learning systems, contributing to improved learning environments, higher attendance and greater digital inclusion in underserved communities.



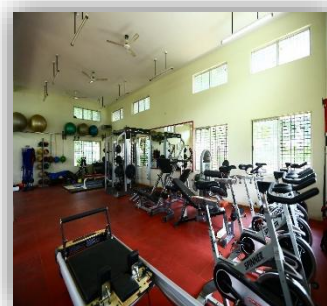
A key example of long-term institutional engagement is the MCC - MRF Innovation Park, Chennai, developed in partnership with Madras Christian College. This initiative represents a robust industry academia collaboration, supporting innovation, entrepreneurship, research and start-up facilitation, while strengthening employability and livelihood outcomes for students.

Healthcare and Community Well-being



Healthcare engagement is being carried out through partnerships with public hospitals, Primary Health Centres (PHCs), specialty care institutions and state health departments. MRF's interventions include the development of hospital buildings, provision of ambulances, installation of dialysis units, support for cancer care and palliative care infrastructure, and deployment of trauma care equipment and advanced medical devices. These initiatives directly enhance access to quality healthcare services and strengthen emergency response capabilities at the community level.

Sports Development and Youth Engagement



Sports development is anchored by the MRF Pace Foundation, a flagship CSR initiative established in 1987 and operational for over 38 years. The Foundation, which is a specialized pace-bowling training institution, a one of a kind and the only one in the world, engages young fast bowlers through a rigorous national scouting process, providing residential, world-class coaching exclusively for pace bowling under internationally renowned experts. Several trainees have progressed to the Ranji Trophy, Under-19, Under-23, Indian Premier League (IPL) and international cricket, reinforcing MRF's long-term commitment to youth development and national sporting excellence.

At the community level, MRF has also supported the development of sports facilities and training infrastructure of international standards.

Skill Development and Livelihood Enhancement



MRF's livelihood engagement is led by the MRF Institute of Driver Development (MIDD), established in 1988, which directly engages with drivers, transport operators and placement partners. The program delivers structured training for heavy and light motor vehicle drivers, enhancing road safety awareness, driving competence and employability, including opportunities for international placements and self-employment. As of 2025, the institute has trained approximately 5,129 drivers in Light Commercial Vehicles (LCV) and Heavy Commercial Vehicles (HCV), with an additional 1,482 drivers successfully completing refresher training programs, reinforcing MRF's commitment to skill development and safer mobility. Additional vocational training and internship initiatives further support inclusive economic growth, aligned with SDG 1 (No Poverty) and SDG 8 (Decent Work and Economic Growth).

Women Empowerment and Inclusive Engagement



Women-focused engagement is embedded across CSR themes and includes support for girls' hostels and schools under the Kasturba Gandhi Balika Vidyalaya (KGBV) scheme, sanitation facilities for women, provision of sewing machines and livelihood tools, transport support for girl children, women and child health programs and infrastructure support for women police and safety services. These interventions are implemented in consultation with local administrations and beneficiary institutions, contributing to gender equity, safety, education continuity and economic participation.

Rural Development, Water and Sanitation

MRF engages rural communities through safe drinking water projects, including the installation of RO plants, borewells, overhead tanks and water purifiers, thereby improving access to potable water and public health outcomes. Rural and civic engagement also encompasses the development of community halls, toilets, crematoriums, village assets, lighting, bus stops and police infrastructure, strengthening essential services and social infrastructure in underserved areas.



Environmental Sustainability and Renewable Energy



Community engagement in environmental sustainability includes afforestation initiatives, desilting of ponds, development of green spaces, waste management systems, composting units, garbage vehicles, etc., contributing to enhanced ecological resilience at the local level. Renewable energy initiatives include solar streetlights, rooftop solar installations, off-grid systems and solar-powered CCTV, improving energy access, safety and reliability while supporting SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).

Disaster Management and Emergency Response



MRF's community engagement extends to disaster management and emergency response, covering floods, cyclones, fires, pandemic and other emergency situations. The company coordinates closely with district disaster management authorities, fire services and civic bodies to provide relief materials, emergency

infrastructure and response equipment, strengthening institutional preparedness and community resilience.

Water Bodies Protection



The CSR initiatives are directed towards the conservation and rejuvenation of natural water resources through integrated interventions such as rainwater harvesting, desilting of existing water ponds, and protection of traditional water bodies. These projects aim to improve water retention capacity, enhance groundwater recharge, reduce surface runoff and flooding risks to support long-term water availability for local communities. By strengthening natural water systems, the initiatives contribute to sustainable water management, environmental protection and improved socio-economic resilience in water-stressed regions.

Monitoring, Impact and Feedback

Community engagement continues beyond project execution. 100% of CSR projects deliver direct welfare benefits, with impact evaluation initiated for several projects with individual expenditure exceeding INR 10 million (i.e. INR 1 Crore). Regular site visits, utilisation reviews and structured feedback from beneficiary institutions inform Corrective and Preventive Action (CAPA) measures, strengthening project effectiveness, accountability and long-term sustainability.

Through sustained, participatory and impact-driven community engagement, MRF Limited continues to translate its legacy of responsible corporate citizenship into tangible social outcomes. By working closely with communities, institutions and governments, the company is strengthening public infrastructure,

enhancing access to essential services, enabling livelihoods and building resilience across regions. Community engagement remains central to MRF's CSR strategy, ensuring that growth is inclusive, development is sustainable, and business success is aligned with long-term social value creation and nation-building.

The link to MRF's Corporate Social Responsibility page can be found below:

- [MRF Tyres - Corporate Social Responsibility](#)

Governance

MRF strives to position itself as a benchmark for ethical, transparent and accountable governance within the automotive components sector. In pursuing this ambition, the company embeds strong governance principles into core business decision-making, ensuring that integrity, compliance and stakeholder trust remain central to every level of operation. MRF follows a structured approach that integrates policy commitments, regulatory alignment, management oversight and continuous improvement to uphold the highest standards of responsible corporate conduct. This governance foundation is strengthened through Board-level supervision, specialised committee oversight, cross-functional collaboration and routine internal reviews that reinforce consistency, accountability and transparent performance across all plants.

MRF's governance commitments are guided by a comprehensive suite of policies that define expectations for ethical behaviour, risk oversight, sustainable sourcing and responsible business conduct. The company further strengthens its governance architecture through operational policies that safeguard responsible conduct across digital, ethical and supply chain domains.

Together, these governance mechanisms spanning ethics, compliance, anti-corruption, anti-bribery, and sustainable sourcing, form the backbone of MRF's responsible business agenda. By maintaining a strong governance culture rooted in transparency and ethical conduct, MRF positions itself as a resilient, future-ready organisation that aligns business growth with global governance expectations while strengthening long-term value creation for all stakeholders.

This section outlines the key systems, policies, and governance structures embedded within two core thematic areas such as Ethics & Corporate Governance, and Sustainable Procurement & Supply Chain Governance.



Ethics and Corporate Governance

MRF's commitment to ethical behaviour and principled decision-making is reflected in its comprehensive policy framework, which provides clear guidance on governance, disclosures, risk management, and stakeholder accountability. Key policies include:

- MRF Policy on Board Diversity
- Nomination and Remuneration Policy
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, including the Policy for Determination of Legitimate Purposes
- MRF Principles of Sustainability and Responsible Business Conduct
- Dividend Distribution Policy
- Archival Policy
- Policy for Determination of Materiality
- Material Subsidiary Policy
- Policy on Materiality of and Dealing with Related Party Transactions
- Vigil Mechanism
- Anti-Bribery and Anti-Corruption Policy
- Information Security Management System Policy
- MRF Supplier Code of Conduct
- MRF Privacy Policy

To further strengthen ethical governance, MRF has embedded well-defined Conflict of Interest guidelines, enabling Directors, Senior Management and employees to transparently disclose and manage actual or potential conflicts. The company is developing measurable targets for conflict-of-interest management, which will be integrated into future governance reporting.

Sustainability Governance Structure at MRF

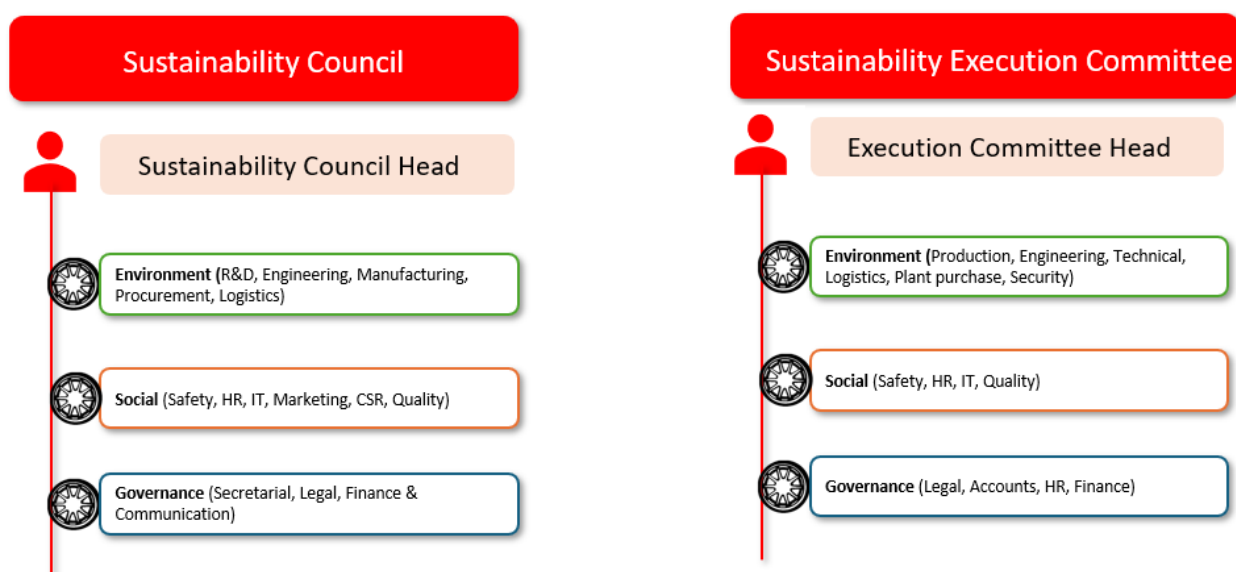
MRF operates through a well-defined, multi-tiered governance model that provides strong oversight and coordinated delivery of its sustainability priorities. Strategic direction is set at the Board level, chaired by Chairman and Managing Director (CMD), where progress on environmental, social, and governance commitments is reviewed twice each year.

The Sustainability Council, chaired by the Vice Chairman and Managing Director (VCMD), meets every quarter and brings together heads of departments (HODs) from all key functional areas. The Council includes representatives from environmental domains such as research and development, engineering, manufacturing, procurement and logistics, from social domains including safety, human resources, information technology, marketing, corporate social responsibility and quality, and from governance areas including secretarial, legal, finance and public relations. Through this structure, the council ensures

organisation-wide alignment and drives the integration of sustainability considerations into business decisions.

The Sustainability Execution Committee supports on-ground implementation and meets once every three months. Led by the Health, Safety and Environment and Sustainability teams, the committee works directly with manufacturing plants to monitor progress, address operational issues and continually enhance performance.

At the organisational level, the sustainability function is overseen by the Health, Safety, Environment and Sustainability head, supported by teams focused on environmental management, social responsibility and governance practices. This integrated approach ensures consistent execution, clear accountability and the embedding of Sustainability across all operational and strategic activities.



Transparency & Disclosures

MRF upholds strong standards of transparency by regularly disclosing its financial and non-financial performance through its Annual Report and Business Responsibility and Sustainability Report (BRSR). The company also undergoes a BRSR Core Reasonable Assurance to strengthen the credibility of its disclosures and submits its BRSR in accordance with SEBI's regulatory requirements, reinforcing its commitment to accurate, reliable, and accountable reporting. The link to the abovementioned reports can be found at:

- [MRF Tyres - Business Responsibility and Sustainability Report](#)
- [MRF - Financial Results](#)

Sustainable Procurement and Supply Chain Governance

MRF continues to strengthen responsible governance across its supply chain by embedding sustainability expectations into procurement practices and supplier partnerships. This commitment is anchored in two core frameworks such as the Supplier Code of Conduct (SCoC) and the Sustainable Procurement Policy. The SCoC sets out the ethical, social, and environmental standards expected from all suppliers, while the Sustainable Procurement Policy outlines these requirements for all purchasing decisions.

Together, these two frameworks ensure that material sourcing decisions align with MRF's broader sustainability priorities while reinforcing transparency and accountability across the value chain.

Strengthening Supplier Alignment with Sustainability Expectations

MRF is deepening its commitment to responsible sourcing by driving stronger alignment between its expectations and those of its suppliers. These efforts reflect MRF's continued focus on strengthening accountability and responsible practices across its supply chain.

Supplier Code of Conduct Adoption and Progress

The Company is aiming to achieve meaningful progress by encouraging its Tier 1 suppliers to formally agree to the Supplier Code of Conduct (SCoC). During FY 2024-25, 9% of the Tier 1 suppliers had signed the SCoC. This value has further increased to 63% suppliers during FY 2025-26 especially in the 2nd and 3rd quarter, demonstrating strengthened supplier alignment with the Company's ethical and sustainability expectations.

Supplier Sustainability Governance and Policy Alignment

To strengthen governance across the Supply Chain, MRF mandates that all raw material suppliers (excluding natural rubber suppliers) align with the MRF Supplier Quality Assurance Manual (SQAM). This manual encloses a Green Procurement Policy declaration that outlines key sustainability expectations from the suppliers and 67% of the raw material suppliers have provided their declarations to this Policy. In FY 25-26, alongside the SQAM, MRF introduced a Sustainable Procurement Policy to further strengthen traceability and transparency across the supply chain.

The SQAM outlines guidelines for suppliers to ensure compliance with environmental regulations and establish Environmental Management Systems (EMS) and Substance of Concern (SOC) Management Systems. Key requirements include adherence to environmental laws, efforts to reduce greenhouse gas emissions, waste, and water consumption, and the submission of a prohibited substance-free declaration through Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and Restriction of Hazardous Substances (RoHS). It is expected that suppliers must also manage their sub-suppliers to ensure compliance with these standards. MRF continues to audit suppliers' adherence to these guidelines during SQAP audits, promoting sustainable practices throughout the supply chain.

Enhancing ESG Due Diligence and Audits

MRF is advancing ESG integration through structured due-diligence and ESG auditing processes across its supplier base. As part of due diligence, comprehensive ESG information is collected through supplier self-assessment forms prior to onboarding new vendors. For existing suppliers, ESG audits are conducted at frequencies defined by internal supplier categorisation. As part of this process, suppliers are required to

complete a self-assessment based on ESG audit Checksheet shared with them prior to the physical ESG audits.

From an evaluation perspective, during FY 2024-25, SQAP audits were conducted for 19% of the domestic Raw Material suppliers, based solely on the SQAP manual. In FY 2025-26, so far ESG audits were carried out for 12% of the domestic Raw Material Suppliers in line with the updated audit procedure, which incorporates the Sustainable Procurement Policy.

Based on the findings from these audits, MRF requests its suppliers to develop corrective action plans to address and close the gaps identified during the audit process. This approach demonstrates MRF's commitment to upholding its sustainability standards while fostering a collaborative effort with suppliers to strengthen environmental performance across the supply chain.

Conflict-Free and Responsible Mineral Sourcing

MRF upholds responsible sourcing practices by refraining from procuring materials from conflict-affected regions, ensuring ethical supply chain integrity. The suppliers, along with their extended supply chain adheres to the origin of conflict minerals such as Cobalt and the 3TG (Tantalum, Tin and Tungsten, and Gold) in ensuring that it does not come from the Democratic Republic of Congo or the countries defined internally.

Expanding Supplier and Buyer Training on Sustainability

Supplier preparedness forms a key pillar of responsible sourcing. Training on sustainable procurement is being scaled in line with rising expectations as seen in internal targets. This supports broader supplier understanding of MRF's sustainability standards.

In FY 24-25, 46% of the raw material suppliers were provided training on Environmental, Social, and Governance (ESG) principles, sustainability practices, and the Business Responsibility and Sustainability Reporting (BRSR) framework as per the Indian Stock Exchange regulations. This training not only equips our suppliers with the necessary knowledge and skills to implement sustainable practices but ensures that they are well-prepared to meet the evolving expectations of stakeholders and regulatory requirements.

Additionally, in FY 25-26, 100% of the buyers from MRF Purchase team have received training as per the ISO 20400 - Sustainable Procurement guidelines.

To ensure sustained effectiveness and alignment with evolving standards, MRF will continue to conduct periodic refresher trainings and targeted capacity-building interventions, as and when required, thereby embedding continuous learning and accountability within the organisation.

Strengthening Local Value Creation Through Domestic Sourcing

Local sourcing continues to be a critical component of MRF's supply chain strategy. The company's local addressable spend for FY 2024-25 stands at 76%, comfortably meeting even the next year's targets and reinforcing the company's focus on supporting domestic supplier ecosystems.

Together, these initiatives reflect a strengthening sustainable procurement ecosystem, one that aligns supplier behaviour with MRF's values, embeds ESG considerations across functions, and builds both internal and external capability to support responsible, resilient and long-term growth.

Way Forward

At MRF Limited, our vision of sustainable growth goes beyond compliance, it is about creating enduring value for all stakeholders, contributing positively to society and the environment. We recognize that sustainability is not a destination but a continuous journey that requires commitment, innovation, and collaboration. Guided by this belief, we have proactively undertaken several voluntary initiatives to embed sustainability principles into the core of our business strategy.

Over the past year, we have focused on developing robust policy frameworks, setting measurable goals, and allocating dedicated resources to ensure that sustainability remains a key driver of our growth. These efforts include implementing mechanisms to monitor progress, fostering a culture of accountability, and empowering our people to champion responsible practices across all levels and functions within the organization. By doing so, we aim to maintain momentum that delivers long-term benefits for our customers, employees, investors, and the communities we serve.

We believe that voluntary ESG disclosures are a powerful tool to build trust and strengthen relationships with stakeholders. They enable us to share our progress, challenges, and aspirations transparently and proactively, ensuring that we remain aligned with the evolving interests and expectations of those who matter most to our business.

In this spirit, we are proud to present our ESG Data Book (FY 2024-25).

Together, let us continue to build a future that is responsible, resilient, and inclusive!

END OF THE REPORT