

NET ZERO PATHWAY



20th March

Corporate Overview

75+ Years of
Operations in
India

Presence in
60+ Countries

10
Manufacturing
Plants

57 million
Automotive Batteries
produced p.a.

5 billion AH
of Industrial Power
Supply p.a.

2.4 million
Units of Punch
Grid Batteries
produced p.a.

Rs.15,000
crore+
Market Capitalization


Rs.12,500
crore+
Revenues

Rs.750
crore+
PAT

With sustainability at the core of Exide's strategy, we strive to be a force for good, ensuring responsible business conduct and the overall well-being of our employees and communities in which we operate.

CHAIRMAN'S PERSPECTIVE

“ In line with our nation's commitment to achieve net zero emissions by 2070, our company plans to achieve the same by 2050. ”



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FROM THE DESK OF MD AND CEO

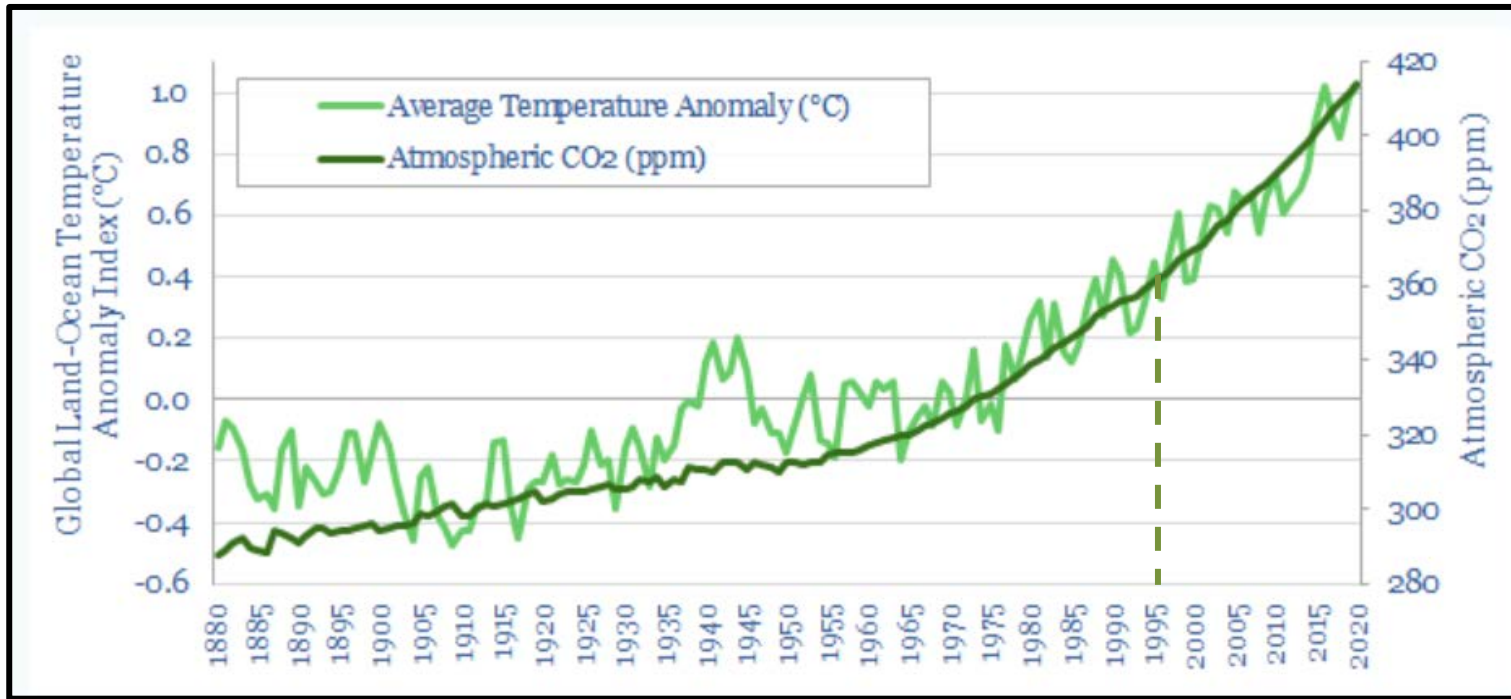
“ We have set ourselves an ambitious target to double our renewable energy capacity by 2030. ”



*At Exide, we believe that sustainability is at the core of our purpose, culture and business. The pandemic has only accelerated the adoption of sustainable means of doing business. **This is especially true for a company that is shaping the future of battery technology – which is what Exide has been doing for the last 75 years.***

Decarbonisation : our understanding and steps forward

Climate Change & what we need to do



In the last 25 years the temperature rise index has more than doubled from 0.4

Excessive release of carbon dioxide and other greenhouse gases into the air, causing global temperatures to rise has resulted in persistent changes to the climate.

If we continue as we are, global temperatures will rise past a point of irreversible ecological catastrophe.

What is Net Zero and India's commitments ?

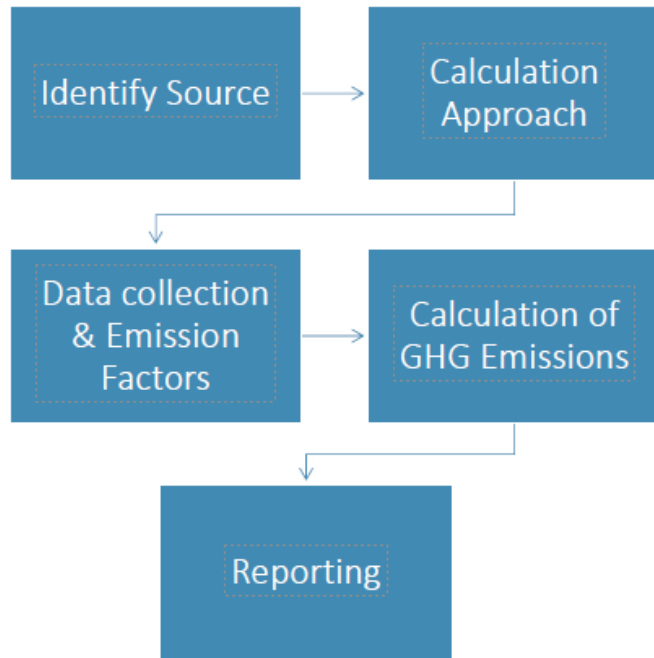
Net Zero is a target of **completely negating the amount of greenhouse gases produced by human activity**, to be achieved by reducing emissions and implementing methods of absorbing carbon dioxide from the atmosphere.

Key commitments by India on Climate Change initiatives

1. **Net Zero by 2070.**
2. **By 2030, reduce emission intensity of its GDP by 45% from 2005 level.**
3. **Achieve 50% cumulative electric power installed capacity from non-fossil based energy resources by 2030.**
4. **Sustainable lifestyles and climate initiatives to protect the poor and vulnerable from adverse impacts of climate change.**
5. **To create forest carbon sink of 2.5 to 3 billion tons of CO₂**

GHG Management Process

GHG Inventorisation



GHG Reduction



Classification of a company's GHG emissions

According to GHG Protocol corporate standard, a company's greenhouse gas emissions are **classified into three scopes** :

Scope 1: Direct GHG emissions

Emissions from sources owned or controlled by the company

- Stationary / mobile combustion
- Generation of electricity, heat or steam
- Process emissions

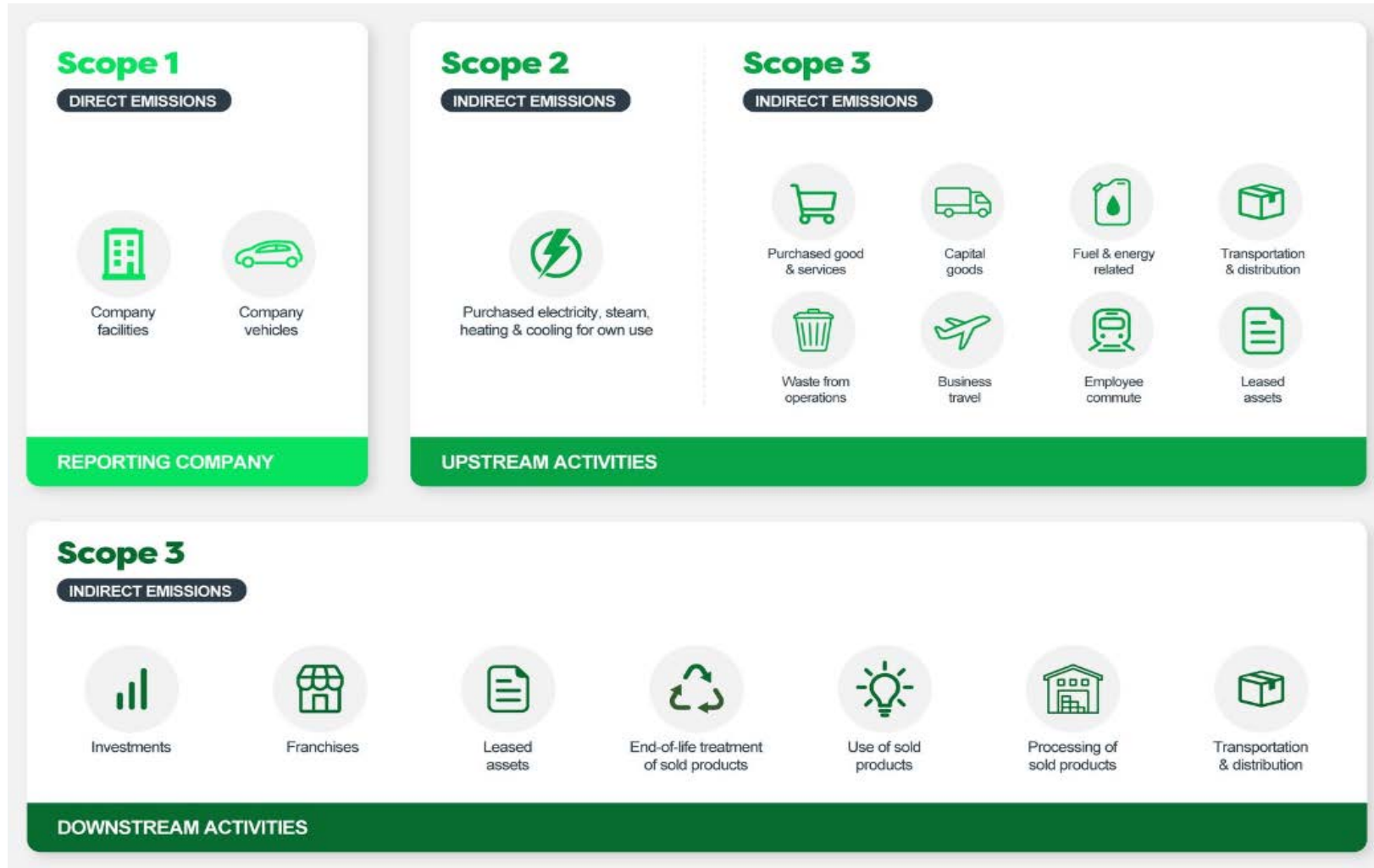
Scope 2: Indirect GHG emissions

Purchased electricity / heat / steam

Scope 3: Other Indirect GHG emissions

All other indirect emissions as a consequence of the activities of the company, but occur from sources not owned or controlled by the company

Sources of Scope 1, 2 & 3 GHG emissions



Action Plan to reduce emissions : Scope 1

Scope-1 : Fuel burnt within the operations

Boiler, Furnaces, DG Sets, Fire Extinguisher Pumps, Canteen, company owned vehicles / Material handling vehicles

- Improve energy efficiency and reduce energy consumption to the maximum
- Convert thermal energy into electrical energy supplied from Renewable energy

A well planned strategy generates cost savings and keeps the initiatives sustainable.

Action Plan to reduce emissions : Scope 2

Scope-2 : Purchased electricity

- Reduction in Energy consumption
- Onsite solar power
- Offsite Renewable Energy – Solar/ Wind.
 - 3rd party purchase
 - Group Captive model

Carbon Neutrality and Net Zero

What is the difference between **Carbon Neutrality** and **Net Zero**?

- The boundary of a **Net Zero** target includes global **scope 1, 2 and 3** emissions of the organisation, whereas Carbon Neutrality for an organisation only requires **scope 1 and 2**, with scope 3 emissions encouraged but not mandatory.
- The boundary of a Carbon Neutral claim can refer to a specific product or service instead of encompassing the whole organization in the case of net zero.

Why Scope 3 is important

- **Scope 3 is often the largest source of emissions**
- Focusing only on Scope 1 and 2 emissions could exclude significant emission sources and sinks, consequently associated risks and opportunities
- For a company embarking on carbon accounting, it is better to focus on Scope 1 & 2 emissions where companies can exercise maximum control.

Upstream categories	Downstream categories
Purchased Goods & Service	Downstream Transportation & Distribution
Capital Goods	Processing of Sold Products
Fuel & Energy Related Activities	Use of Sold Products
Upstream Transportation & Distribution	End of Life Treatment of Sold Products
Waste Generated in Operations	Downstream Leased Assets
Business Travel	Franchises
Employee Commuting	Investments
Upstream Leased Assets	

We took one step forward in our sustainability journey by setting medium-term ESG vision and targets. For this, we took following steps:

1

Formed a cross-functional sustainability team at Exide, with representatives from different functions:

- Energy Management
- Employee Health & Safety
- Human Resource
- Secretarial
- Risk Management
- Quality Management
- Finance

Sustainability committee is headed by President (Legal & Corporate Affairs) & Company Secretary

2

Partnered with leading ESG consultancy firm for vision/ targets and implementation strategy:

- Sustainability consultancy and reporting provided to **75+ large Indian Corporates**
- Excellent expertise in formulating ESG strategy for auto companies

Environmental initiatives

Strong commitment to increase share of green energy



18% of energy consumption is solar energy
(1% three years back)



Committed investment for setting 18.9MW captive wind power projects in plants in MH and TN



'Carbon Conscious' project for tracking emissions across manufacturing plants



7.87MWp

Solar rooftop capacity

52.5MWp

Solar ground mounted capacity



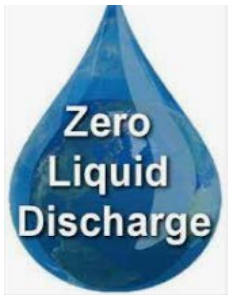
Strengthening water stewardship and minimizing waste



Water conservation
through 3R approach



8.4% reduction in
water intensity per rupee of
turnover achieved in FY22



Zero Liquid Discharge (ZLD) at our Ahmednagar, Hosur and Taloja plants



Reduced usage of hazardous and toxic chemicals through optimised product design, usage and process re-engineering



Repurposing ETP sludge as flux in cement plants is an initiative to promote circular economy

- Lead is a primary raw material used in our manufacturing and we take pride in being the **industry leader in recycling used batteries**
- Chloride Metals is a 100% subsidiary and is engaged in recycling of old batteries **with total capacity of 200 KMT PA**
- Lead is extracted and is sold back to Exide and is reused in battery manufacturing
- The company has **three smelting units** in India –in states of Karnataka, Maharashtra and West Bengal
 - Green field battery recycling plant has been set up at Haldia, West Bengal, spread in 21+ acres and is equipped with state-of-the-art technology



45% of lead requirement are met through captive recycled lead, expected to increase to 60% in the medium-term

- We have strong R&D capabilities and **team of 750+ engineers** to develop and introduce greener products and eco-friendly technologies.
- Focus on making products for higher fuel efficiency, energy optimisation and emission reduction.
- Our innovative product range includes – **lithium-ion based inverters, solar roof-top solutions for homes, E-Rickshaw batteries, ISS batteries etc.**



Our publications and Way Forward

1. BRSR reporting in Annual Report 2021-22 – on a voluntary basis

2. Our Maiden Sustainability Report – highlighting our vision and aspirations





Environmental

- **Energy Management:** Double renewable energy capacity by 2030 and emerge as industry leader
- **Water Management:** Become water neutral by 2030
- **Waste Management:** Achieve 100% zero waste to landfill by 2030
- **Green Innovation:** Increase the % of captive recycled to 70% in 3 years



Social

- **Organizational Safety:** Improve unsafe actions/conditions by 100% by 2025
- **Positive community Relations:** Ensure that at least 80% of CSR expenditures are towards the core themes
- **Product & process quality:** Focus on customer delight and enhance the total quality management score



Governance

Maintain highest level of transparency and business integrity while driving ESG ambitions

Thank You