Press Information

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DICV's Ambitious Sustainability Goals for 2025 and Beyond

- DICV makes 'Seven Statements for Sustainability', aims to reduce carbon footprint and protect local environment
- Mr. Satyakam Arya, CEO & MD, DICV: "Driving sustainability in our production and operations has been a key focus for DICV since our inception. Our efforts so far have already helped us reach 72% CO₂ neutrality in our plant, and we plan to push this to 100% by 2025. We will work continuously towards a sustainable future for our stakeholders and society as a whole."

Chennai – Daimler India Commercial Vehicles (DICV) today announced its 'Seven Statements for Sustainability', a series of goals aimed at reducing its carbon footprint and protecting the local environment. With the aim of making its Chennai plant operations 100% CO_2 neutral by 2025, DICV leads the carbon neutrality commitment in the Indian CV industry. The initial set of goals are a part of DICV's long-term sustainability plan that will be unveiled in multiple phases, setting a new benchmark for the Indian auto industry.

Mr. Satyakam Arya, CEO & MD of DICV, said, "Driving sustainability in our production and operations has been a key focus for DICV since our inception. Our efforts so far have already helped us reach 72% CO2 neutrality in our plant, and we plan to push this to 100% by 2025. We will work continuously towards a sustainable future for our stakeholders and society as a whole."

At the recent Conference of Parties (COP26) in Glasgow, India pledged to increase its installed renewable energy capacity to 500 gigawatts and reduce carbon emissions by 1 billion tonnes by 2030, as well as achieve 'net-zero emissions' by 2070. As an environmentally-conscious organisation, DICV is also moving forward along a roadmap that helps tackle climate change while spurring economic growth.

In the first phase of the roadmap unveiling, the company today announced its goals for sustainability in operations, laying out initiatives planned to 2025 and beyond. DICV's 'Seven Statements for Sustainability' are as follows:

Statement 1: Make DICV operations 100% CO2 neutral by 2025 by...

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- More than doubling the amount of captive solar power generated along with buying wind based power and bagasse-based green cogeneration
- Changing all internal shuttles to electric vehicles

Statement 2: Aiming to make entire value chain CO2 neutral by 2047 by...

- Conducting awareness campaigns for dealers/suppliers and supporting them in this transition
- Sharing best practices and benchmarking KPIs for partners

Statement 3: Increase green cover density of Chennai plant by at least 10% by 2025 by...

- Planting mini forests of native trees and increasing bio-diversity
- Planting an additional 2000 trees using organic farming methods

<u>Statement 4:</u> Reduce energy consumption of production shop by at least 8% by 2025 by...

- Upgrading all lighting to LEDs
- Installing more efficient motors and using IoT devices to optimize usage of equipment like chillers and compressors

Statement 5: Reduce water consumption by 30%, aiming for 100% water self-reliance at the plant by 2025 by...

- Conserving use of water by smart flow metering arrangements
- Reusing effluent water generated from operations in paint shop manufacturing process

Statement 6: Continuously reduce waste generated from operations by...

- Increasing usage of bio-degradable plastic in packaging process up to 50% by 2025
- Using only biodegradable packaging material for all internal distributions (employee handouts, etc.)

<u>Statement 7:</u> Contribute to betterment of nearby villages and societies

- Improving drinking water facilities and installing solar lighting in community around Oragadam
- Educating children on environmental sustainability and facilitating health camps in nearby villages

Since the establishment of its manufacturing plant in Chennai, DICV has systematically implemented sustainability initiatives at every level. These include the installation of an energy-generation plant with over 10,000 polycrystalline solar power panels (compensates for around 3300 tons of CO2 emissions/year) and a storage pond that holds more than 60,000 kiloliters. The plant itself is home to more than 17,000 trees and adheres to strict reuse/reduce/replace policies as part of its

certification for ISO 14001 (Environmental Management Systems). These measures contributed to the company winning the 'Best Energy Efficient Organisation' award from the Confederation of Indian Industry in this year's CII National Energy Efficiency Circle Competition.

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About Daimler India Commercial Vehicles

Daimler India Commercial Vehicles (DICV), a wholly-owned subsidiary of Daimler Truck AG, Germany, and operating under the umbrella of Daimler Trucks Asia, is a full-fledged commercial vehicle player in India with a brand dedicated to its home market: BharatBenz. DICV produces and sells trucks from 10 to 55 tons, as well as BharatBenz buses, Mercedes-Benz coaches, and bus chassis. DICV's state-of-the-art manufacturing plant at Oragadam near Chennai spreads over 400 acres (160 hectares) including a highly modern test track and is home to the company's headquarters, R&D, and training operations. With one global quality standard, it also produces Daimler Trucks' brands of FUSO, Mercedes-Benz, and Freightliner. Products and parts are exported to more than 60 markets in Africa, Asia, Latin America, and the Middle East. DICV represents an overall investment of more than INR 9,560 crores.

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