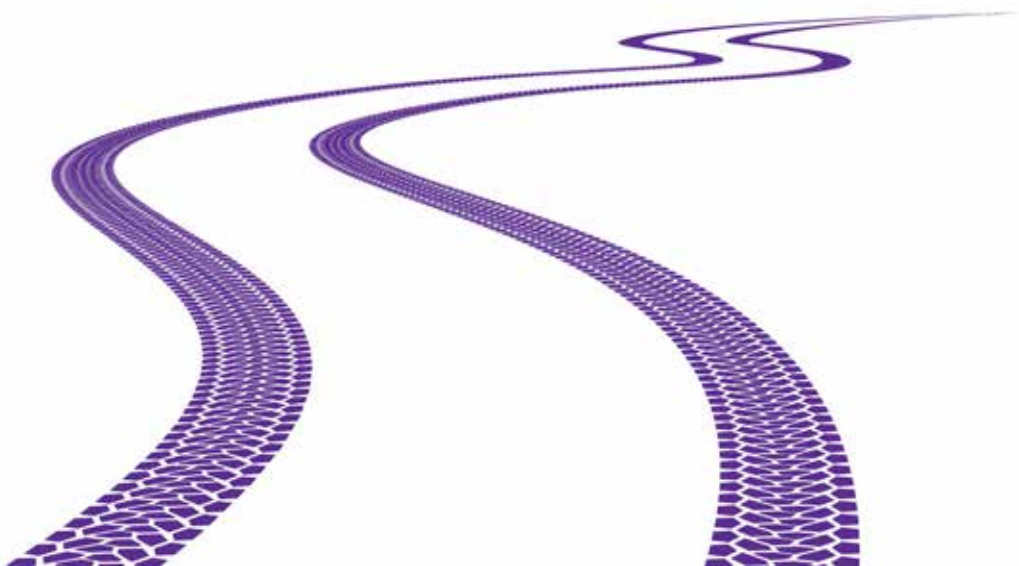




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SUSTAINABILITY REPORT 2016-17



## Our Vision

To be a premium tyre company with a diversified and multinational presence.

## Our Values

It's about our instincts. It's about the way we think.

It's the way we interact with the world. It's our common culture.

It's a system of values that, like our six senses, defines who we are and how we work



## CUSTOMER FIRST



We believe that our customers and those whom they serve are central to everything we do.

## BUSINESS ETHICS



We act with integrity.

## CARE FOR SOCIETY



We actively participate in our local communities to address health, safety, environment and community needs.

## EMPOWERMENT



We take ownership for our actions and responsibility for results.

## COMMUNICATE OPENLY



We are open and transparent in our communication across geographies and levels.

## ONE FAMILY



We celebrate our oneness through building trusting relations, respect for diversity and passion towards common goals.

# Our Sustainability Agenda

True progress is made possible only through collective continuous effort – effort to not merely grow the business but to help maintain and create an environment that allows people and communities to thrive.

Apollo Tyres believes in fostering inclusive growth. The organisation engages and partners with all stakeholders in the path towards Sustainability.

## Setting the Framework...

This is where the work begins — with what we value. As the Company works to create meaningful, lasting change, it puts its values to work – guided by its leadership and engaging with its stakeholders.

● Message from The Chairman	6
● The Organisation	8
● Management Approach	10
● Working Together	12

## Involve – Influence – Impact

Apollo's sustainability framework clearly revolves around the principle of three I's i.e. to Involve, Influence and Impact its key stakeholders – Customers, Employees, Value Chain Partners and Community.

### CARING FOR

● Customers	15
● Employees	24
● Partners	38
● Society	44
● Environment	52

## Moving Forward

Apollo Tyres is at the forefront of innovation – exceeding customer expectations while promising quality and constantly re-defining technology to improve operational efficiency.

● Research & Development	60
● Way Forward	66

# In a nutshell

## RENEWABLE ENERGY USE

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10% of the total energy

## RECYCLED MATERIAL

---

7,027 metric tonne

## ENERGY SAVINGS

---

53,000 GJ

## WATER REUSED

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8.6% of total water withdrawal

## PEOPLE REACHED OUT TO

---

4,85,473 through HIV awareness programmes

“‘Care for Society’, as a core value,  
has been firmly etched in the  
company’s DNA since we began  
the journey 40 years ago.”



---

# MESSAGE FROM The Chairman

Dear Stakeholders,

I am pleased to present our 6th Sustainability Report for the financial year 2016-17. The year is special to us as it marks the completion of 40 years of our business. In all these years, sustainability and social responsibility have always been an integral element of Apollo Tyres corporate strategy. Even though we started reporting about sustainability only in 2010, 'Care for Society', as a core value, has been firmly etched in the company's DNA since we began the journey 40 years ago.

We continue to base our Sustainability Framework on the international standard ISO 26000 and refine our processes in line with the expectations of the standard. Beyond the globally benchmarked frameworks, the company has been conscious of the correlation between people, planet and profit. It has been one of the few in the Indian industry to develop its CSR framework identifying and prioritising its key stakeholders, long before the Government started mandating social responsibility.

This framework aims to understand its key stakeholders - employees, customers, supply chain partners and community, and creates initiatives to have a positive impact on their everyday lives and, of course, on the business. The key objectives of all CSR activities revolves around Involving, Influencing and Impacting our key stakeholders and ensuring it is a win win situation for us and our stakeholders.

In the Fiscal, we introduced new initiatives and expanded the scope of the existing ones to bring more people under the ambit of various programmes. We extended our award winning health programme on HIV awareness to include other health related concerns and Vision Care which is central to the long term well being of the truck drivers, one of our key stakeholders. Further, taking the understanding of the deep connect between planet and people, we launched a Mangrove conservation project in the fiscal in Kannur district, one of the largest mangrove villages of Kerala. As a part of the Biodiversity conservation theme, the project will establish a hub, located in the natural ecosystem, for mangrove-based education and serving as an open-air laboratory for

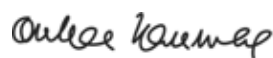
research and promoting restoration through community and government participation. The company continued its commitment towards enhancing the green cover by planting over two hundred and fifty thousand trees in villages near our Oragadam facility in Chennai.

Our Community Development theme projects, supporting under privileged women to earn livelihood showed significant results in Gujarat and Kerala, with more women getting self-reliant. I am happy at the response that we are getting for this initiative and I am confident that we will play a small but important part in empowering the women as they chart a new path for their lives. The recognitions that we achieved during the year reinforces our vision and philosophy guiding our CSR work.

In this CSR journey, I cannot overstate the efforts of Team Apollo. It gladdens my heart to see our people across Apollo and in diverse functions doing their bit to ensure that we adhere to our commitment to society and continue on a sustainable profitable path. While our R&D teams are continuously working on new raw materials composition to reduce our ecological footprint, our manufacturing teams have increased the usage of renewable energy in the overall energy consumption basket. The Marketing and R&D teams are jointly working to expand the network of retread centres to support the trucker community to maximising tyre usage life and reduce the adverse environment impact due to land filling of scrap tyres.

Our Sustainability disclosures are aimed at providing regular updates on our performance and remain accountable to all our stakeholders. We will continue to make better processes, respond actively to stakeholder needs and strengthen our Sustainability practices.

Thank You,



**Onkar S Kanwar**  
Chairman





## THE ORGANISATION

Apollo Tyres Ltd is an international tyre manufacturer and the leading tyre brand in India. The company has multiple manufacturing units in India and a unit each in The Netherlands and Hungary. The company markets its products under its two global brands – Apollo and Vredestein, and its products are available in over 100 countries through a vast network of branded, exclusive and multiproduct outlets.

As a brand philosophy, Apollo Tyres believes in giving its customers new choices that put them in control and help them to conquer the road ahead. Apollo enables individuals to achieve their own potential, when it comes to driving

and in every area of life as reflected in its tagline ‘go the distance’. Apollo Tyres’ foray into the two-wheeler tyre segment makes the company a full-range player.

In 2016, Apollo formally inaugurated its 2nd Global R&D Centre, Asia just outside the southern Indian city of Chennai, after the Global R&D Centre, Europe in the Netherlands, which is operational since 2013. Apollo Tyres has been at the forefront of launching breakthrough products over the past four decades suiting the Indian context. Besides global R&D Centres, Apollo Tyres also has set-up two satellite R&D Centres in Bengaluru and Germany.

### Our manufacturing locations



\* Project site / manufacturing location to be operational in 2017

+ Leased Unit



## ACCOLADES

During the year 2016–17, the organisation was felicitated with the following prestigious awards:

- ☺ 'Sparsha Award 2016' was given for valuable contribution done in 'Livelihood Generation Initiatives' in Vadodara (Gujarat) by the National Institute of Industrial Engineering and Lakshya<sup>SM</sup>
- ☺ CSR Excellence Award 2016 for Best CSR Initiatives and Best Livelihood Initiatives by the Vadodara Chapter of Quality Circle Forum of India (QCFI)
- ☺ NIPM, Kerala Best Corporate Citizen Award 2016 for the exemplary CSR work done in Kerala by Kerala Chapter of National Institute of Personnel Management (NIPM)
- ☺ BT CSR Excellence Award 2016 under the 'Best Waste Management' category for Clean My Transport Nagar project by Bureaucracy Today media group
- ☺ Global Green Future Leadership Awards 2016 under the 'Best Waste Management' category for Clean My Transport Nagar (CMTN) initiative by World CSR Congress



## THE REPORT

This is the sixth Sustainability report of the Company. This report is based on our Sustainability Reporting Framework developed in 2014-15 which draws elements from ISO 26000 and National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by Ministry of Corporate Affairs in 2011.

In preparing this report, responses and information from various departments and levels across the organisation were taken into consideration.

All efforts were made to ensure transparency, accuracy and materiality. We welcome feedback and suggestions on topics which are of interest to our stakeholders.

### *Period of Reporting*

The period covered for the purpose of this report is April 1, 2016 to March 31, 2017 and the reporting cycle is annual.

### *Scope of the Report*

The information disclosed in this report relates to the Europe and Americas, and Asia Pacific Middle East and Africa (APMEA) operations of Apollo Tyres Ltd. (hereafter referred to as 'Apollo' / 'Apollo Tyres' / 'the company'). This report primarily covers manufacturing operations, with the exception of the 'Employees' section, which also discusses our non-manufacturing operations. Within this, we have added our project office in Hungary\*.



# Management Approach

SUSTAINABILITY GOVERNANCE



*Sitting (left to right):* Francesco Gori, Advisor for Strategy; Martha Desmond, Chief Human Resources Officer; Onkar S Kanwar, Chairman and Managing Director; Robert Steinmetz, Director; Neeraj Kanwar, Vice Chairman and Managing Director

*Standing (left to right):* Daniele Lorenzetti, Chief, R&D (PV); Pedro Matos, Chief Quality Officer; P K Mohamed, Chief Advisor, R&D; Markus J Korsten, Chief Manufacturing Officer; Satish Sharma, President, Asia Pacific, Middle East, Africa; K Prabhakar, Chief Projects; Gaurav Kumar, Chief Financial Officer; Mathias Heimann, President, Europe; Marco Paracciani, Chief Marketing Officer; Sunam Sarkar, President and Chief Business Officer

Apollo Tyres' sustainability initiatives are strategically integrated into the Company's long-term growth plans. The senior leadership regularly reviews key material issues and provides an oversight to propel the Sustainability journey of the Organisation.

The Sustainability Strategy of Apollo Tyres encompasses conscious approach and effort towards environment protection, financial growth and stability, and social prosperity. This has played a vital role in making it a sustainable, successful and growth-oriented organisation.

The organisation continues to aspire to be the industry leader through pursuing new emerging opportunities and continually embedding sustainability into its business model. This is further enhanced through its well developed and implemented Sustainability Management Framework. The organisation incorporates environmental and social considerations into day-to-day operations, focusing not only on the product but also on the associated processes.

It is the organisation’s endeavour to achieve competitive advantage through state-of-the-art facilities, resource-efficient production processes, and environment friendly output. While doing so, it ensures that the sustainability goals are aligned with the business, as it is imperative to create value for all stakeholders. The major shift over the past years has been the integration of sustainability into all levels of the corporate strategy, business model, as well as the value chain. There is a Sustainability Committee in the organisation that has representation from the Board, which works towards embedding sustainability into business functions across the company.

The organisation remains committed to creating positive impact in the life of its diverse range of stakeholders – employees, suppliers, customers, dealers and the community it operates in.

In order to reach out to a wider range of stakeholders and demonstrate its sustainability performance, the company has been making sustainability disclosures, based on international standards, since 2010. The

disclosures have been instrumental in assessing the actual performance, setting industry benchmarks and striving for continual improvement towards better growth in all the domains of triple bottom line.

Over the years, regular formal and informal interactions with stakeholders have ensured strong stakeholder relationships, reflecting onto key business risks and opportunities. The Sustainability risks identified through such engagements have been immensely useful in formulating mitigation strategies for the same.

## Risk Management

The key factor in determining a company’s capacity to create sustainable value is the company’s ability to effectively manage the risks in its business environment. Many risks exist in a company’s operating environment and they emerge on a regular basis. The Company’s Risk Management processes focus on ensuring that these risks are identified on a timely basis and addressed.

Apollo Tyres’ Board of Directors has constituted Risk Management Steering Committee that operates with the following objectives:

- ⌚ Proactively identify and highlight risks to the right stakeholders
- ⌚ Facilitate discussions around risk prioritisation and mitigation
- ⌚ Provide a framework to assess risk capacity and appetite and develop systems to warn when the threshold is getting breached
- ⌚ Provide an analysis of residual risk





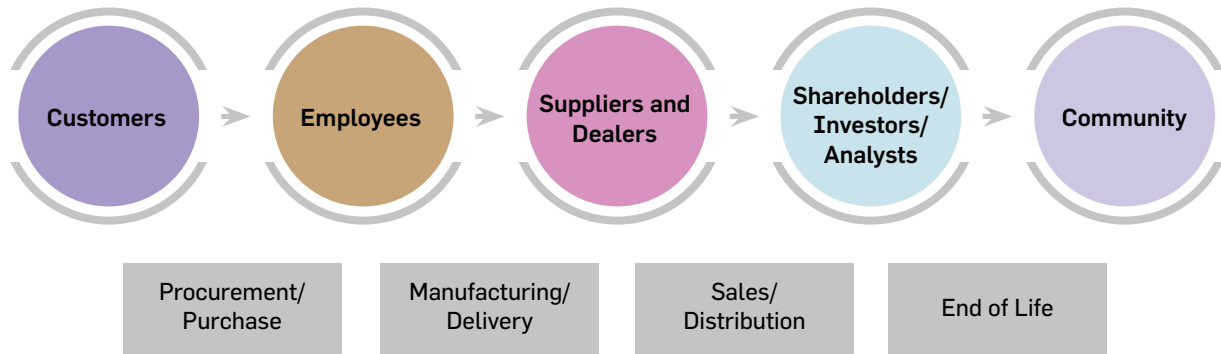
# Working Together

STAKEHOLDER ENGAGEMENT



Apollo Tyres understands and believes in collaboration as a means to its success. It appreciates that all stakeholders share a common objective – build successful products that provide shared value to business, society and environment.

Apollo Tyres is committed to working closely with all its stakeholders in its quest towards inclusive growth. The company engages with a wide range of stakeholders around the globe. At the local/regional level, operations are encouraged to work with communities to identify and implement stakeholder engagement initiatives.



The organisation believes that communication with various stakeholders is essential to understand their concerns and respond with appropriate mechanisms. This responsibility is fulfilled through various functional departments using diverse communication channels with respective stakeholder groups. The Organisation has the following established objectives for conducting stakeholder engagement:

- ☺ to create communication platforms for all stakeholder groups that will allow them to express their opinion
- ☺ to gain their feedback and to implement continual improvement measures
- ☺ to understand the latest global trends
- ☺ to identify business opportunities and risks affecting overall sustainability of the organisation
- ☺ to establish enduring relationships and create value for all

### Apollo's Three-Pronged Strategy for Stakeholder Engagement



Driven by these objectives, Apollo Tyres conducts its stakeholder engagement in a more structured manner. During the reporting period, the company continued to gather diverse opinion through stakeholder forums, surveys, and on-site visits across its stakeholder spectrum including customers, employees, suppliers and dealers, shareholders/ investors/analysts, and community. The information thus gathered is reflected in this sustainability report, with the purpose to showcase accountability and transparency.



# Customers

CARING FOR CUSTOMERS



Apollo Tyres adopts a customer-centric approach by placing its customers at the heart of its operations. It endeavours to create enduring relationships with its customers and its core value – ‘Customer First’ – is a true manifestation of this claim.



Apollo Tyres' strength lies in its competency to provide customers with high-quality products to meet their needs and therefore, achieve edge over competition. Apart from quality, safety of customers is of prime importance at Apollo Tyres. It ensures that safety aspects are considered at every step of product manufacturing. The Organisation strives to exceed customer expectations in order to achieve trust and loyalty of its global customers. This is based on a continuous thrust on customer complaint redressal, product testing, customer-oriented activities and mass customer campaigns.

## Core Values

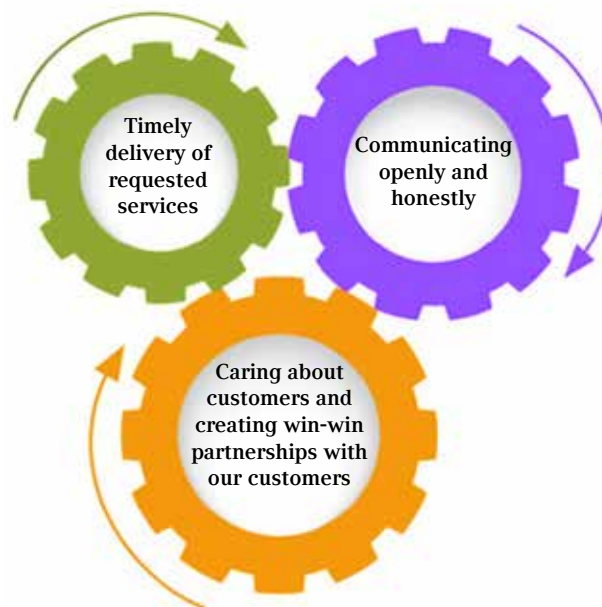
Apollo Tyres is governed by its aspiration to be rated the best Indian Tyre Company in customer service by 2020. The Company provides its customers high quality safe products and services and empowers them with relevant knowledge and technical expertise.

In its journey towards building trusting customer relationships, the company has achieved many milestones and has made a significant transition by shifting its focus to a more holistic approach of 'complaint management' through customer engagement. The approach moved beyond customer claim redressal to complete elimination of the scope for complaints related to its products and services.

Towards fulfilment of the above, the competent and specialized CV Forza team continued to engage with the fleet owners providing them with regular knowledge enhancements, technical assistance and trainings on aspects related to care and maintenance, proper usage of tyres and product life cycle enhancements.

Taking forward the 'Customer First' value imbibed by Apollo, the 'Customer Champion Project' was strengthened further with the objective to engage and provide services to the customers. The customer value management continued to focus on factors important to the customers like availability of dealers in their vicinity, product performance and experience with regard to Original Equipment [OE] fitment.

There were no incidents of non-compliance with regard to product safety, labeling, marketing communication or data privacy from any of our operations during the reporting period.



## Approach towards Customer Service

The customer service department for APMEA operations has members with specialised knowledge on products, technical expertise and commercial understanding to provide value added services to its customers. It also acts as a key support function for other departments like sales and marketing and plant technology by sharing feedback (voice of customers) from its customers.

Regional Inspection Centres (RICs) set up across India (APMEA operations) carry out checks on returned products. Insights gained are shared with the production (manufacturing) and R&D units for improving quality of products and minimising waste (scrap).

The department adopted strategies which included –

1. Developing Truck Bus Radial [TBR] leadership
2. Educational drives on tyre care and maintenance
3. Continuous improvements in Customer Satisfaction Index (CSI)
4. Organising driver welfare camps
5. Educating customers

The 360° service approach that connects with all the customer service touch points was further strengthened. The features of the approach is provided in the table below:

<p><b>Apollo Certified Fitter (ACF)</b></p>	<p>A fitter engagement and welfare initiative to educate customer to follow recommended fitment practices, inflation pressures for tyre longevity and using right tools and safety measures.</p> <p><i>Sustained the touch point and initiated internal audits for better customer service experience.</i></p>
<p><b>Apollo Radial Service Assistance (ARSA)</b></p>	<p>An initiative to engage with customers to optimise operational efficiency in their fleet. A technically trained and qualified person is allocated to the fleet for standard checks like vehicle inspection, scrap tyre inspection, inflation and other routine work which leads to an enhancement in operational efficiency by 15-20%.</p> <p><i>Sustained the touch point and initiated internal audits for better customer service experience.</i></p>
<p><b>Apollo Radial Repair Centre (ARRC)</b></p>	<p>An initiative to motivate and equip dealers to support customers by repairing damaged tyres, instead of scrapping them.</p> <p><i>Sustained the touch point and initiated internal audits for better customer service experience.</i></p>
<p><b>Apollo Quick Service (AQS), Tubeless Service Point (TSP), Apollo Tyres Road Assistance (ATRA)</b></p>	<p>A programme to provide quick redressal to customers, like on road assistance incase of any emergency or break-down, complaint redressal, repair tubeless tyre puncture through recommended tools and procedure.</p> <p><i>Sustained the touch point and initiated internal audits for better customer service experience. Added 187 AQS centres in FY '17 taking the total number to 238 nationally.</i></p>
<p><b>Apollo Tractor Owners Meet (ATOM)</b></p>	<p>A farmer engagement and welfare initiative to educate tractor owners in tyre care and repair. Dealers, franchisees, fitters and retreaders are invited to training sessions.</p> <p><i>138 activities were conducted in FY '17.</i></p>
<p><b>Apollo Direct (Contact Centre Management)</b></p>	<p>A dedicated customer care service center that started one year ago for grievance redressal. It is open all seven days of a week and addresses queries and complaints in English and regional languages. Customers are encouraged to approach the service centre online with their query, feedback and grievances.</p>

## Customer Engagement

Customers are one of the most important stakeholder groups for Apollo Tyres. With its long-term sustainability goals, the organisation continuously engages with its customers through different forums to understand them better and gets feedback about the products. Some of these have been mentioned in 360 degree services approach above.

### Voice of Market

Listening and understanding the voice on products from customers and touch points like fitters, retreaders, casing dealers, drivers, etc. is a critical input. They act as enablers for the Company in enhancing the



understanding to serve customers better. Apollo Tyres' Customer Service team had initiated studies on capturing absolute customer and product pain to further improve the qualities and services on emerging customer requirements.

For carrying out the study, Apollo Tyres had engaged M/S Nielsen India Pvt. Ltd. and identified key markets for few products covering trucks, passenger vehicles, agri sector and Light Commercial Vehicles categories with major competition brands. Outcomes of the studies helped understand customers' satisfaction levels, usage practices, product pain areas and new expectations on products and services.

## Load & Fitment Studies

Load and Fitment studies provide a comparative insight on product parameters like fitment share, Brand of Choice, current loading trends, usage practices by customers on various tyre brands. In the past, similar studies were conducted on Quarterly basis keeping in mind dynamic market conditions. This has helped sustain and improve Apollo presence in FY '17 which brought a new approach to the project.

To ensure availability of rich analytical reports on existing customer usage practices on various loads, Load and Fitment studies were initiated at key 11 locations month after month with a major focus on the truck category.

Customer service team could gather data of roughly

around one Lack tyre fitments from approximately 9000 trucks every month. The collected data has provided inputs to work upon different strategies to increase customer acceptance and usage of right products.

After its success, the initiative is now replicated to other Commercial Vehicle categories and applications to ensure understanding of trends in customers' tyre preferences. With these available details, the Company reached out to customers who were approaching replacement time and recommended appropriate product for their use.

## Product Champions

In today's competitive times, customers look for products with a reliable long-term run. The organisation's analysis revealed that despite various efforts to reduce operational costs, customers are not able to realise the complete benefits of the life cycle of products.

This has prompted the Company to work dedicatedly with customers using products like 10.00R20 Endurance RD HD and 295/80R22.5 Endu Comfort CA that were launched in FY '17. The view was to help them realise returns on money spent on these products. A dedicated team was created, which constantly monitored the product. While product was under performance stage, Champions started interacting with customers and provided recommendations on tyre care and maintenance so that they could minimise operational costs. Results have been encouraging as with this approach products could be established in around eight months.

## CPKM – Real value for Commercial Vehicle users

Customer relations are dynamic and need constant engagement. New generation truck customers are tech savvy and have more granulated approach on keeping track of returns for each rupee being spent. Their ultimate goal is reducing operational costs by tracking expenses versus returns, for a profitable growth.

Apollo Tyres has kicked off the drive on CPKM (Cost per Kilometer) for meaningful and value-added discussions with its valued customers.

## Commercial Vehicle Zone

The kind of education drive from Apollo on tyre care and maintenance, particularly on vehicle alignment gaps, led to customer requirement of Commercial Vehicle [CV] alignment centers that emerged over the last four years. The Company initiated the journey by offering the best alignment services to customers with CV Zone where services like alignment, balancing, tyre changing, inflation top-up and new tyres, are being provided.

Apollo has accelerated its journey of inaugurating more CV Zone centers to cater to the needs of truck wheel alignment.

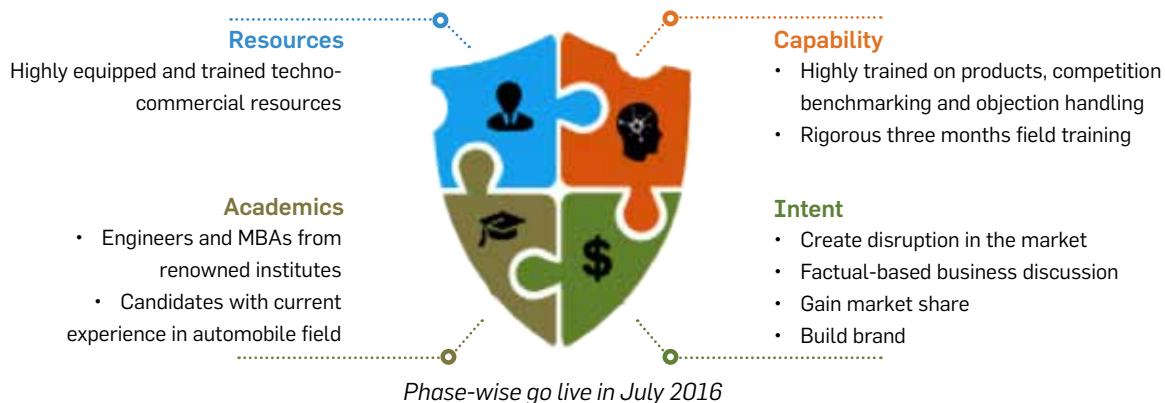
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The organisation has doubled its reach from eight CV Zone centres in FY'16 to sixteen CV Zone centres in FY '17

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## Customer Champion

In alignment with Apollo Tyres' customer-centric approach and customer-oriented values, Customer Champion Project was initiated in the FY '16 with the objective to augment customer engagement, create awareness and retain preference and ensure that the customers are happy, safe and knowledgeable about the products they are using.

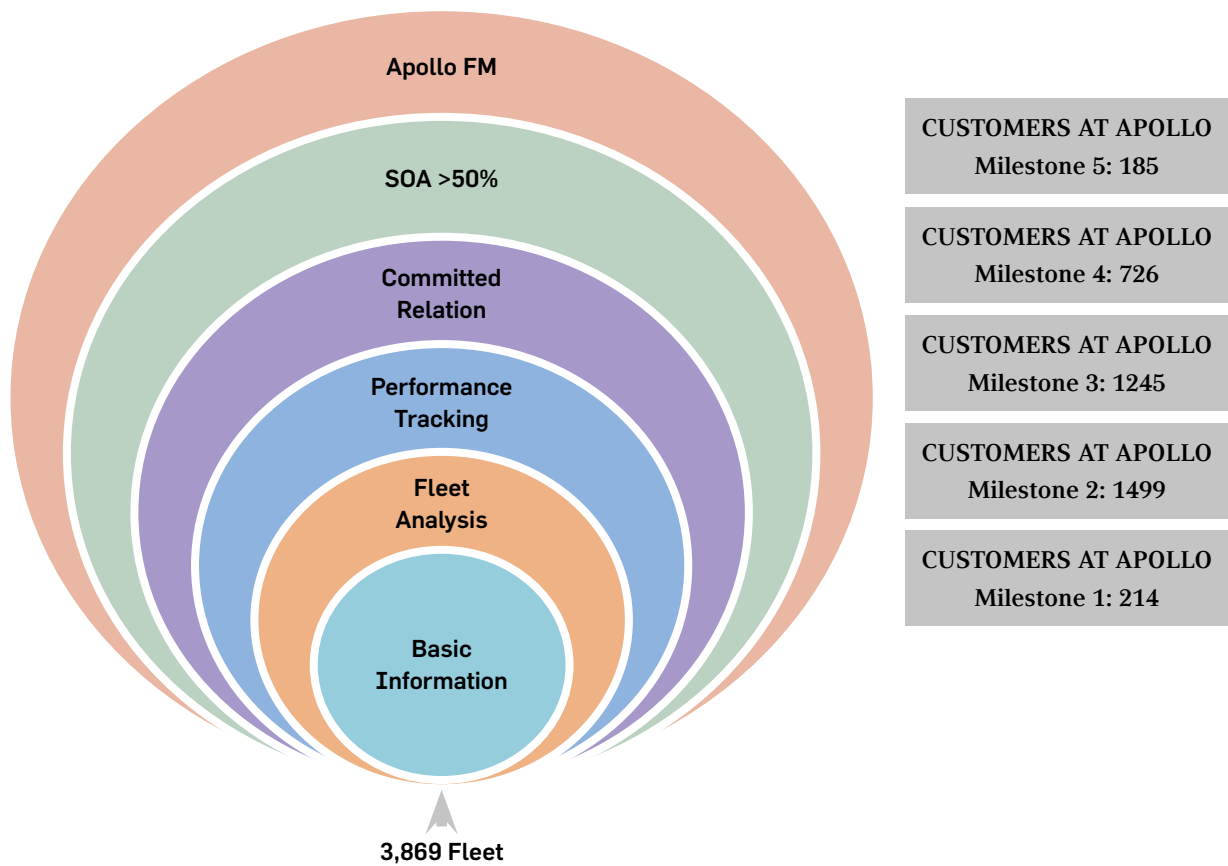


Starting with over 900 candidates from diverse backgrounds across 16 cities in India, around 100 candidates were selected and imparted intensive three and a half month classroom training. This included personality development, negotiation skills, presentation skills, OEM trainings and on the job training (covering technical and functional aspects related to tyres and vehicles), to become 'customer champions' with expertise and in-depth understanding of the market and the territory in which they operate.

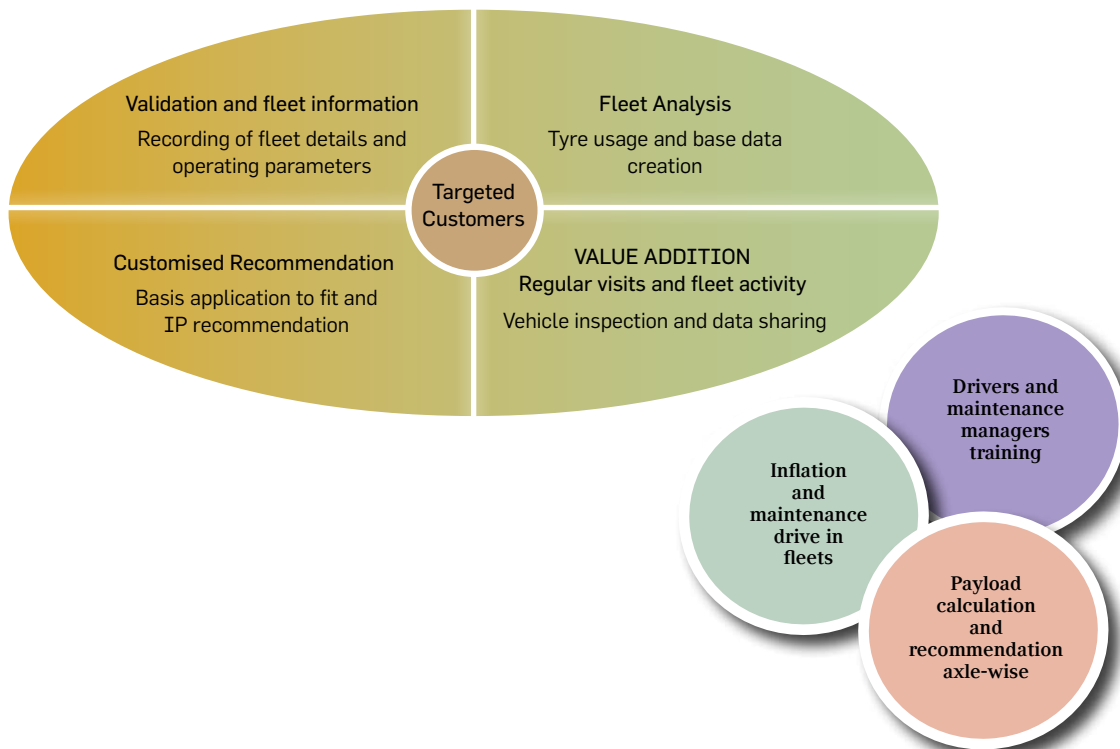
The key role assigned to Customer Champions was to identify non-Apollo customers to bring them in to Apollo

fold. The heavy investments made by the company in terms of trainings and efforts invested by Customer Champions have led to the creation of database of approximately 3900 non-Apollo / below 10% share of account users, captured through a specially designed software to facilitate generation of reports as well as derive CPK (Cost per Kilometer) analysis.

Apollo has adopted a model (depicted on the facing page) to track the conversion rate on a monthly basis.



In addition to this, Customer Champions are instrumental in opening new dealerships across geographies with a Recurring Advance Scheme (RAS) base of 130.1 lakhs and collecting additional RAS from existing dealers of 108.8 lakhs by attaching competition customers to the dealers.





## Customer Safety

Customer safety continues to be accorded top priority and is a critical component of any business decision made. While Apollo strives to provide the best quality products to its customers, equal consideration is given to safety parameters and adherence to international standards/norms. These are ensured through a combination of rigorous systems, procedures and by building a culture for safe operations. Apollo is constantly looking for customised solutions and innovations to give its customers the best and safest product experience.

Product labeling is critical not only to ensure compliance to applicable rules and legislations but also to ensure that sufficient information is provided to the customers regarding product safety which helps them make informed decisions.

In its EA operations, the company makes all necessary efforts to comply with the European Tyre Labeling (ETL) Regulation, which requires display of information on fuel efficiency (carbon footprint), wet-grip (road safety) and external rolling noise (environmental pollution) of tyres. The product labeling requirements include information on the content of products, which the legislations like REACH in the EU make mandatory. Other information to be mentioned on tyres includes speed rating, load index, tyre wear life indicator, ply rating and construction of tyre.

Reduction in rolling resistance leads to direct reduction in fuel consumption and a higher wet grip index ensures that the tyre is safer on the road.

Apollo has introduced Altrust range for van tyres in Europe and ASEAN markets, and Apterra HT2 in the entire APMEA market (with special focus on ME and Indian Market).

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Apollo Altrust Winter tyre has been rated best performing tyre by top automobile magazines in Europe

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Apterra HT2 has received very positive response from the Indian and ME markets. Apollo is looking to expand both of these brands further in other SKUs to leverage these successful products.

Compliance with specified ETL regulations helps the company improve parameters pertaining to road safety as well as enhances environmental and economic efficiency of road transport by promoting fuel efficient and low noise tyres.



## Customer Satisfaction

Apollo monitors consumer feedback on its products and services on a regular basis through its dedicated customer service team to identify areas for improvement. However, to understand the relationship and importance of each touch points, tracking the performance with the help of scores and metrics is necessary. A Customer Satisfaction study has been initiated for truck tyre customers in FY '17 and the results are expected in May'17. The background and the objectives of the study are presented in this section.



## Background

With the presence of multiple players in the market, Indian as well as global, customers have more choices and are keenly evaluating their brand experience across touch points. Thus it becomes imperative for brands to

- ③ Effectively manage customer experience across products and service touch points which will not only drive repeat purchases but also act as brand proponent
- ③ Measure customer experience which can provide a strategic direction in terms of identifying key priorities to improve customer satisfaction

## Objectives of the study

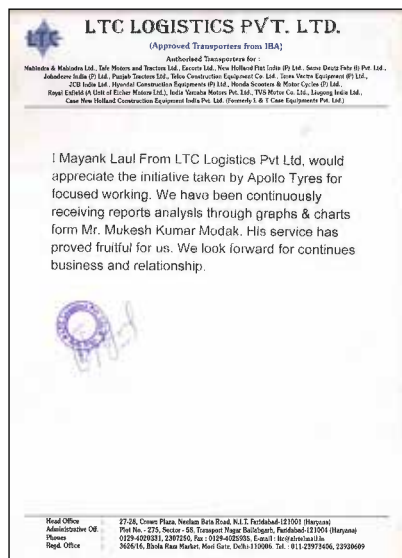
- ③ Gauge the strength of relationship between Apollo and its customers, dealers
- ③ Understand the drivers of satisfaction of customers

and evaluate Apollo Tyres' performance on them vis-à-vis competition brands

- ③ Arrive at an action plan keeping in mind relative performance across touch-points as also competition performance
- ③ Assess the strength of customer relationship
- ③ Gauge importance / performance expectation attached to each touch point
- ③ Arrive at company level / department level action plan keeping in view expectations as well as relative performance

In addition, Apollo tyres subscribes to a syndicated study on OE tyre customer satisfaction for passenger vehicles conducted by J.D.Power which has strong focus on customer loyalty and advocacy. As per the study, 71% of its highly satisfied original OE tyre customers intend to purchase the same brand. The company is initiating actions on the insights gained from this study.

## Testimonials from Customers



# Customised Solutions to Fleet Owners

The core purpose of this activity is to engage commercial fleets and increase the help of attaching taxi fleets with ATL dealers. During the reporting period, the PVF team conducted 29 activities at PV Commercial Fleets in Jaipur, Ajmer, Indore, Delhi, Gurgaon, Patna and Nanded. The team also conducted seven campaigns in Rajasthan, two campaigns in Maharashtra, four in MP, 5 campaigns in Bihar and Jharkhand, five campaigns in Punjab and two campaigns in Delhi/NCR in which

various influencers/taxi fleet owners participated. The overall focus of the campaign was on customer engagement, product development and safety trainings. The mission aimed at minimising operational tyre failures, help understand and change the mindset to realise radial benefits, reduce operational costs and strengthen the Apollo brand. Product acceptance measurement was done on a quarterly basis.

**Common Tyre Damages PASSENGER RADIAL TYRES**

**Run Flat Damage**  
**Probable Cause**  
 • Continuous driving after a puncture in an un-inflated condition.  
**Recommendation**  
 • Always maintain inflation pressure recommended.  
 • Check inflation pressure every week when the tyre is cold and ensure valve cap is secured.  
 • Stop the vehicle safely after the tyre/hub gets punctured.

**Sidewall Bulge**  
**Probable Cause**  
 • Continuous driving after a puncture of an under-inflated condition.  
 • Damaged bead ply leads due to improper mounting/demounting.  
**Recommendation**  
 • Always maintain inflation pressure recommended.  
 • Stop the vehicle safely after the tyre/hub gets punctured.  
 • Check inflation pressure every week when the tyre is cold and ensure valve cap is secured.

**Sidewall Bulge - Nail Cut**  
**Probable Cause**  
 • Repeated abrasion of nail sharp edges on various damages the ply cords from inside on the low sidewall region.  
**Recommendation**  
 • Careless holes strength of damaged area hence sidewall bulge cut.

**Sidewall Bulge Due to Impact**  
**Probable Cause**  
 • An impact due to hitting over a hard object or an obstacle causing tearage of ply cords on side wall region with or without showing an evidence of impact mark on side.  
**Recommendation**  
 • Low inflation pressure maintenance and/or high speed driving are more prone to lead to this kind of failure.  
**Recommendation**  
 • Drive carefully and avoid running over hard undeveloped ruts on high speed.  
 • Drive slow on speed breaking/red lights.

**Sidewall/Shoulder Through Cut**  
**Probable Cause**  
 • Driving over a sharp object.  
**Recommendation**  
 • Careful driving.  
 • Slow the fastest tyre.

**Sidewall Undulation**  
**Probable Cause**  
 • Every tyre manufactured has zones which are intended to form a structure. Sometimes these radial depressions are visible as a result of change in speed or overinflated condition.  
**Recommendation**  
 • The visual appearance of lateral area depression does not have any effect on the intended tyre performance.  
 • Maintain recommended inflation pressure and avoid overloading.

**One-sided Tread Wear**  
**Probable Cause**  
 • Disturbed wheel alignment i.e. excessive camber, and/or toe.  
**Recommendation**  
 • In case of an irregular or one-sided tread wear, check wheel alignment and correct it.  
 • Rotate tyres as recommended.

**Wavy Tread Wear at Shoulder**  
**Probable Cause**  
 • Defective suspension/steer and damaged ball.  
 • Loose/loosened bearing.  
 • Defective rotating parts.  
**Recommendation**  
 • Check/Correct/replace defective Mechanical deficiencies including suspension.  
 • Change the worn and/or other bearing.  
 • Match the alignment values as recommended.

**Tread Burst**  
**Probable Cause**  
 • Sudden impact/rush over an object at high speed.  
**Recommendation**  
 • Drive carefully.  
 • Reduce speed while driving through bad road conditions/steep hills/speed breakers.

**Belt Separation due to NTC**  
**Probable Cause**  
 • Neglected tread cuts (NTC) leading to protrusion and rusting of steel belts.  
**Recommendation**  
 • Timely routine for repair of cuts.  
 • Always tell for recommended sidewall tyre puncture repair.

**Broken Bead Mounting Damage**  
**Probable Cause**  
 • Mounting tyre on the wheel rim forcibly.  
 • Overinflation for proper bead seating on the rim flange.  
 • Employer tools used for tyre mounting.  
 • Usage of wrong bead/sealant/tyred/mounting rim.  
**Recommendation**  
 • Lubricate the tyre beads with lubricants as recommended by the tyre manufacturer for smooth seating of the beads.  
 • Occur from the tyre beads to seat on the rim (never exceed the safe inflation pressure of 4-4 PSL for local ratings).  
 • Follow proper mounting process.  
 • Use proper tools for tyre mounting.  
 • Always use recommended rim size only.

**Mounting/Demounting Damage**  
**Probable Cause**  
 • Unskilled practices & improper usage of tools for mounting & demounting of tyres.  
**Recommendation**  
 • If mounting/demounting is damaged, repair the failed tyre.  
 • Follow proper tyre mounting/demounting procedure.

**TYRE ROTATION PATTERN**

apollotyres.com

apollo DIRECT  
 Write to Customer care  
 apolodirect@apolloyres.com

go the distance™

# Customer Value Management Institutionalisation

## Apollo Tyres on an empowering Journey inside

Businesses today function in an environment where information is more readily and publicly available than ever before. Yet, despite the information overload, crucial information is hardly ever in public domain. Orderly and organised data pertaining to markets and business competition requires systematic information gathering and analysis.

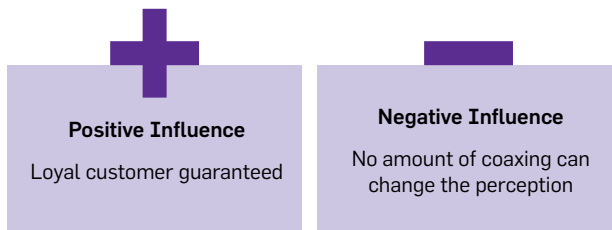
While Western countries have been able to capture market intelligence for around four decades, in Asian

markets this has been challenging, both for cultural and logistical reasons.

Market intelligence providers need to have well-educated employees and multilingual capabilities in order to capture intelligence across diverse markets. In the face of fierce global competition, this skill is becoming increasingly essential as the requirement for multi-country intelligence increases.

Apollo Tyres' journey in the field of market information started five years ago when its first 'Customer Value Management' project team started collecting data at points where the company's product interfaces with the customers such as end-users and dealers. This is the point where a customer forms perceptions about the company.

## Influence of Customer Value Management



The customer value management concept focuses on factors important to customers such as product performance, experience on OE-fitment and availability of a dealer in the vicinity. Post listing of these factors, the exercise also aims at evaluating Apollo tyres vis-à-vis competitors. The method of quantifying the VOCs and collection of data is scientifically designed to present a value v/s price ratio for Apollo and its competitors.

One of the most important outcomes of this study, besides Apollo's positioning in the customer's perception, is an evaluation of gaps in the company's products and the brand as perceived by the customer. These gaps emerge as target projects or areas of improvement if they align with the company's way forward.

Market intelligence can be used to assist with more or less every decision faced by a company. The overriding purpose of most market intelligence, however, is to help the company grow – to increase revenue, profit, or market share.

As the result of CVM, a number of projects were initiated by Apollo Tyres last year – improvement in tyre life and durability, customer communication especially to a complaining customer, reduction in complaint redressal time, presence on social media / online advertisement, presence in OEMs and improvement in OE conversion yield. All these projects are improving Apollo's value perception in the market, which is expected to create more demand for Apollo Tyres in the market.

Apollo CVM Cross Functional Team has automated the data collection process from the market through a mobile app. This year, the target is to have a dashboard for easy understanding by everyone in the organisation, which could be horizontally applied from PV (presently) to all the other categories.



# Employees

CARING FOR OUR WORKFORCE



Apollo Tyres recognises the unique talents, skills and perspectives of its employees, fully aware that their effort is what drives the Company. Apollo endeavours to create a workplace where individuals grow and prosper.



Employees are one of Apollo Tyres' key strengths and HR plays an important role in enabling business excellence in a constantly changing environment through engagement and development of the Apollo family.

## Engaging the Apollo family

Vision 2020 was announced last year – “To be a premier tyre company with a diversified and multinational presence” – along with specific aspirations for the APMEA and Europe regions. The four key parameters that will determine the success of Vision 2020 include –

- ⌚ Recognition as a premium brand,
- ⌚ Preferred partner for our customers,
- ⌚ High quality products and services, while caring for society
- ⌚ Attract, empower and retain the best people.

In Europe, the launch of Vision 2020 was communicated in the form of a ‘strategic dialogue’. Line managers facilitated the dialogue with all employees across the European business enabling each team to engage with the strategy and define the team’s contribution to achieve it.

## Vision 2020 launched!

## Implementation of ‘Horizon’ – a new performance management process and system

The launch of Vision 2020 coincided with the implementation of a new performance management process and system. The new process, called Horizon, replaced a number of local performance management systems to provide a single, unified process with a common timetable and platform. While driving the performance of the organisation through the cascade of challenging and measurable team and individual targets, Horizon has also provided the opportunity for focused career and development conversations between managers and employees. The feedback is positive with the improved quality of manager and employee conversation most frequently cited as the biggest area of added value.



## Industry - Employee Relations

At Apollo Tyres' Indian operations, labour relations remained conducive over the last twelve months, where 47% of its workforce is covered under collective bargaining agreements representing all its unionised workforce. Conscious efforts of union and management on ensuring employee safety, welfare and working environment at shop-floor, has improved overall working conditions at the shop-floor. Plant council, house committees and safety cell were few activities conducted at various plants. An example of good industry-employee relationship is at Kalamassery, where the Company was able to introduce 33 new OHT sizes to help improve productivity to higher levels.

In the Netherlands, Apollo Tyres continues to work with the staff and their social partners. In Enchede, the focus of the work is to reduce staffing, become more flexible and incorporate OEM requirements for stable quality process standards. The aim is to create a strong competitive cost base that will sustain jobs in the region. Apollo Tyres has also moved the European region's offices to Amsterdam to attract more international workforce to support its European business.

An R&D office was opened near Frankfurt, Germany to concentrate on the OE segment. A highly specialized team has been hired and is already making huge inroads with the OEs.

## Development of the Apollo family

Apollo is committed to building strong technical capabilities at our manufacturing plants. The inauguration of the Hungary plant is testimony to the organisation's efforts in developing multiple specialist skills over a two-year period in order to commence production at Apollo's latest Greenfield site. As part of their training, each new shop floor operator has participated in over 190 days of training delivered through a combination of theoretical and practical interventions. This has been achieved despite lack of specific tyre technology courses in the country.

During OEM audits for Volkswagen and Ford, Apollo's Enschede plant's skill matrix and training programme was rated world-class by the auditors.

Throughout the year, the Company has invested extensively in domain expertise across teams through various technical training programmes that are designed to have a direct and positive impact on the delivery of products and services for its end customers. This is now being supported through the formation of a Learning and Development community.

The L&D community shares best practices, works collaboratively to develop and enhance development interventions as well as serves as a focal point for feedback and communication. With increase in employee development curriculum and through continued use of the Horizon process, the group will become increasingly instrumental in ensuring that the needs of the managers and employees are appropriately met. Few programmes conducted in India and overseas for employee development are:

### Step Up for Sales Team

In April 2016, this key sales training programme was reviewed and re-designed, so that it is in line with the changed business realities such as range selling, Cent Per Kilometer [CPKM] concept and new product launches.

### Step Up for Commercial Executives

A composite three day programme was designed for Commercial Executives to cover three important areas – Taxation (GST, VAT etc.), Analytical Skills and SAP Capability.

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During OEM audits for Volkswagen and Ford, Apollo's Enschede plant's skill matrix and training programme was rated world-class by the auditors.

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### Complaint Management Training

A big aspect of end-customer satisfaction in the tyre industry is swift, fair, consistent and effective complaint management against product failure claims. Apollo Tyres has now extended this training to sales team as well so they are better informed.

### Apollo Global Citizen (AGC)

Apolloites are increasingly interacting with, and getting an exposure to, their global counterparts – now more than ever. Participants were trained to manage situations with heightened sensitivity that was earlier not deployed because of lack of cultural intelligence.

### Health & Safety

The organisation takes its health and safety responsibilities seriously and has introduced multiple initiatives to build health and safety capabilities in its manufacturing locations. These include risk inventory health checks, ergonomic reviews and focus on best ways to ensure that people are not overburdened at the workplace. Multiple training programmes have been conducted to upgrade staff capabilities to fulfil Original Equipment Manufacturers requirements, of which health and safety compliance is an important element.

### Train the Trainer

Apollo Tyres partnered with Dale Carnegie – one of the best in the business – to create a custom-designed programme to refresh and enhance the skills of its in-house trainers.

### A-One R&D Programme

As part of equipping and strengthening the functional knowledge of its new R&D employees, Apollo Tyres runs a six-day integrated orientation programme focusing on the basics of tyre technology to enhance their knowledge about the tyre manufacturing process.

Additionally, the R&D function runs various training programmes and conferences for all levels of employees. Some prominent ones are

- ⌚ APQP, PPAP Training
- ⌚ Internal Auditor Training for ISO TS16949 Standards
- ⌚ DFSS, DFMEA Training
- ⌚ Leadership development programmes for Heads, Senior Scientists/Specialists
- ⌚ Effective Presentation skills for Specialists, Time Management, Financial Planning, Interpersonal Skills , Business Etiquette





## New roles for growing Apolloites

Around the year, Apollo Tyres has sent many of its high performing employees to other manufacturing facilities around the globe, particularly Hungary to establish their new processes.

The Company recognises Internal Job Posting (IJP) as a fair system for recruiting the right employee that helps in development of an individual's career. During this year, more emphasis was given to IJP to cater to the ambitions and aspirations of the individual employee. Apollo Tyres managed to fill many more vacant positions with the help of this initiative. It also managed lateral moves for 15 employees to encourage the movement within the organisation and aid job rotation keeping in mind individual aspirations.

In India, Apollo Tyres runs an in-house Aspire Programme. Under this four-month programme, high calibre team members from radial plants are selected for Field Sales & Service operations. This addresses the plants' challenge of retaining and rewarding high performers and also serves the acute need for tyre technical experts in the field. Over the last two years, no external recruitments have taken place for Customer Sales Executive roles as all requirements are fully serviced through the Aspire cadre.

Similarly, to train people in different functions, Apollo is running at its South India plants a Spiral career programme that enables high potential colleagues to develop and grow within the organisation.

## Celebrating Diversity

The basic principles of Human Rights are embedded in Apollo Tyres' 'One Family Apollo value'. It recognises and respects the political, economic, civil and fundamental rights of people in day-to-day business. In the business context it translates into adhering to letter and spirit of the law and international norms of behaviour towards human rights. The organisation is conscious of this and engages in fair competitive practices and labour norms. There is recognition of freedom of association and collective bargaining. In the unionised plants this can be witnessed and the good practice is demonstrated by cordial industrial relations. There is no forced or compulsory labour or





child labour at our sites. Further, there are live examples of employees participating and being active in local politics.

The organisation extends its responsibility across its entire value chain from its business premises like manufacturing locations or offices, to its supply chain partners. The original equipment business partners also conduct audits to ensure its compliance on human rights and environment norms. The HR practices in manufacturing have a system of recording grievances of employees and handling the same.

As Apollo Tyres expands its business and footprint, it is conscious of issues with respect to gender diversity and contract labour and continuously works towards improving the same within its business value chain.

## One Family Events

To add 'zing' to the work at Apollo, major festivals and important events are celebrated in a way that they foster the value of One Family. Following is the list of typical events organised:

- ☺ Annual Day Celebrations (often including Plant Visits for family & friends)
- ☺ Rangoli, Painting and Fancy dress Competitions
- ☺ Just Married, Sangamam, Raja Rani for newly wed couples
- ☺ Let's celebrate together – Birthday celebrations, happy moments
- ☺ All Indoor and Outdoor sports – with the aim of fostering team spirit & bonding
- ☺ Selfie competitions (Theme – One family)
- ☺ Onam, Pongal, Diwali, Christmas day celebrations
- ☺ Summer camp for employees' children
- ☺ Creation of an Apollo Music Band – Rolling Chords
- ☺ Health and Fitness programmes

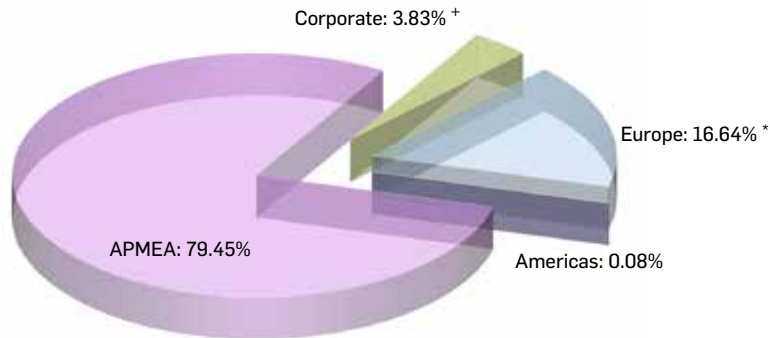
To address various needs of employees during different phases of their personal life, Apollo's Chennai Plant has developed a practice of 'Right benefit at a right time approach' enabling the organisation support employees during important phases of their life.



## Employee Strength and Statistics

The total employee strength of Apollo Tyres at the end of the reporting period was 16224. The total employee attrition for the organisation was about 7.4%. Region-wise breakup of employees is depicted below:

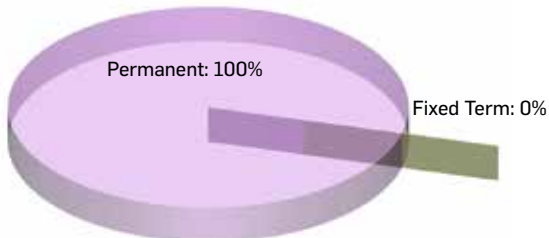
REGION-WISE EMPLOYEE DISTRIBUTION



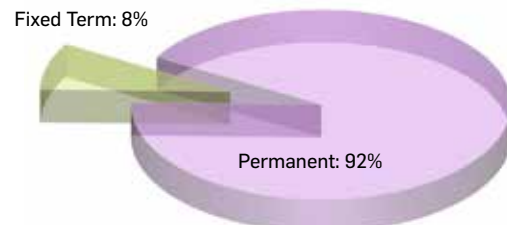
\* Europe includes Hungary and Reifen.com  
 † Corporate includes R&D

Employment break-up for permanent and fixed-term contract for each region is depicted below:

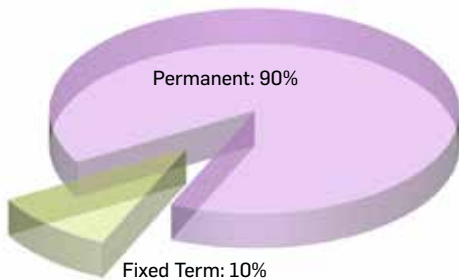
CORPORATE (Total Employees: 621)



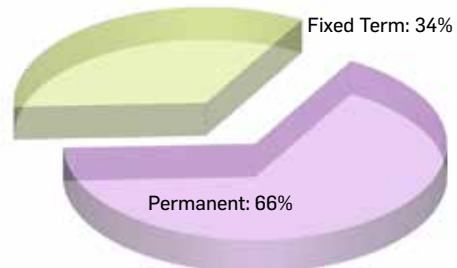
AMERICAS (Total Employees: 13)



EUROPE (Total Employees: 2700)



APMEA (Total Employees: 12890)



## Training and Capacity Building programmes

Program Title	Brief Description	Target Audience	Key Metrics (Total Man Days & Unique Learners)	Learning Partner
Train the Trainer	Partnered with Dale Carnegie for certification	Present and potential internal trainers	50 Man Days 25 Unique Learners	Dale Carnegie
Step Up - For Sales Team	Aligned program design to Biz priorities	Territory Incharges and ABU Managers (C / E)	648 Man days 119 Unique Learners	Internal Certified Experts
Aspire Selection	Job Rotation and Enrichment Program for Shopfloor TMs	Chennai & Limda Plant Radial Team Members	NA	CS - HoD HR - HoD
Aspire Training	Capability Development Program for Shopfloor TMs	Chennai & Limda Plant Radial Team Members	3560 Man Days 40 Unique Learners	Composite Programme
Assorted Individual Nominations	Functional Capability Building	Various	65 Man Days 30 Unique Learners	Various External
Step Up (Functional Training) for ACIs	Functional Capability Building	ABU Commercial Incharges (ACI)	423 Man Days 141 Unique Learners	Combination of Internal and External
Complaint Empowerment Training at RIC	Core Functional Training for Complaint Management	Field Sales and Service Teams	1180 Man Days 189 Unique Learners	Internal Experts at RIC
RBU Controllers' Training for Infra Projects Business	New Capability Development for Field & Plant Commercial Team	Plant and Field Commercial Controllers	45 Man Days 15 Unique Learners	External Experts
Apollo Global Citizen	Cross Cultural Competency Building	Finance & Accounts Team	22 Man Days 11 Unique Learners	External Experts
High Impact Presentations for Finance Teams	Business Presentation Skills	Finance & Accounts Team	30 Man Days 15 Unique Learners	External Experts
Bekaert - Functional Training	Steel Cord - Functional Training	HO & Plant Purchase Teams	22 Man Days 11 Unique Learners	External Experts
EY - Apollo Way of Sale Integrated Field Capability Building	Capability Building aligned to Field Strategy	SBU Leadership & RBU Heads	51 Man Days 17 Unique Learners	External Experts



## Health and Safety

Apollo Tyres' vision is to remain committed to highest safety standards to ensure safe and healthy operations. Health and Safety is fully embedded in the operations and the organisation continues to focus on deploying Behaviour Based Safety (BBS) programmes and global safety standards. To achieve these goals, Apollo has adopted a strategic framework with following features:

- ④ Safety culture at Apollo plants stand on three strong inter-dependent pillars – Leadership, Global standards and Training, and, communication to employees and Contract members.
- ④ Ownership with discipline of safety and health practices is the key focus area of unit heads. First line supervisors are responsible in their own work areas to provide safe and congenial work environment.
- ④ Involvement of each and every employee is important not only in keeping them safe but also in making them effective and productive to excel in their job.
- ④ Continual improvement through kaizens to enhance or maintain the shop floor working conditions.
- ④ Behaviour Based Safety (BBS) is essential in reducing 'At Risk' act through observations and feedback techniques.

Health & Safety culture at Apollo Tyres is not only important to keep everyone safe, it also acts as an enabler for employees to be more effective and helps them excel in their job. Furthermore, the safety journey leads to improvements in quality, productivity and cost.

The company strives to continuously improve its safety performance by measuring, evaluating and reporting

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**The total rate of Lost Time Injury (LTI) per million hours worked reduced from 12.1 in FY '16 to 2.1 in FY '17**

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safety-related key performance indicators. The Corporate HSE function was set up in Apollo Tyres in September 2015 to define safety standards, ensure focus on safety culture and track safety performance. At Apollo, every LTI occurrence is investigated in plants through an 8D process for root cause identification. This is followed up by corrective and preventive measures.

Apollo Tyres has recently developed in-house an all incident management software tool for effective tracking of minor incidents and near misses. There are 7 Lagging Indicators and 17 Leading Indicators monitored every month. MIS is generated and circulated to top management. These measures have already led to improvement in the results for FY '17. The total rate of Lost Time Injury (LTI) per million hours worked reduced from 12.1 in FY '16 to 2.1 in FY '17.

At the APMEA operations, 70 Loss Time Incidents with 1,564 Workdays loss were recorded during the reporting period. This is significantly lower than 327 accidents and 4,194 Workdays loss reported in the previous year (2015-16).

At Apollo's Europe operations, 665 Workdays were lost due to 8 LTIs in 2016-17 as compared to 701 Workdays loss from 10 LTIs in the previous reporting year.

There were no reported cases of fatalities and occupational diseases during the reporting period. The following table shows statistics for all our APMEA locations:



Accident Statistics	APMEA	Limda	Chennai	Kalamassery	Perambra
Injury Rate	2.01	1.02	0.57	2.86	5.48
Occupational Diseases Rate	0	0	0	0	0
Lost Day Rate	44.82	34.29	33.62	30.66	85.82
Fatality	0	0	0	0	0

A number of process safety and fire safety measures are also undertaken in order to raise the overall health & safety standards.

### Process safety

*Hazard identification and risk assessment (HIRA) for all activities:* Process safety assessments are continuously carried out to eliminate or reduce the 'At Risk' conditions. Along with unsafe condition reduction, Behavioural Based Safety is essential to reduce 'At Risk' in the process through observations and feedback. List of safety standards to be followed is available on the portal. Adherence to these standards ensures Zero accident culture in the plants.

*List of Safety Standards followed:*

- Personal Protective Equipment
- Power Industrial Truck
- Hazard Identification and Risk Analysis
- Work Permit
- Accident Investigation through 8D format
- LOTO
- Work at Height
- Electrical Safety
- Management of Change
- Contractor Safety
- Fire Safety
- Machine Safety
- Material Handling Standard

### Fire safety

Fire safety aspects are put into majorly two categories:

*Preventive elements* that include

- Electrical fire safety
- Fire hazards and preventive sources (control of ignition sources)

*Post fire elements* that cover

- Passive protection (Fire spread control)
- Active fire protection (Fire Detection, Alarm and Communication, Fire Fighting)
- Fire emergency management

Plant operating and maintenance team, along with plant security and fire team, has a large role in fire prevention and fire emergency management system.

### Health & Safety Committees

Further, the existence of various health & safety committees at our locations ensures that workers' health & safety is taken care of and they are provided platforms to raise their concerns, if any. Details of various location-wise committees is given in the following table:



Location	Name of Formal Health & Safety Committees	Details and Focus Area of Health & Safety Committee	Level where Formal Health & Safety Committees Operate	Percentage of Total Workforce Represented
Limda	Apex safety Committee meeting (every month)	Unsafe Act, Condition, near miss, BBS progress, CAPA of accidents, Improvement jobs, action plan on discussion points and improvement jobs, status and compliance of audit points	Unit Head, HR Head, Manufacturing Head, Commercial Head, Div. Heads Engg, HR and production, Purchase, Safety incharge and Group managers of productions, engineering, company doctor	Top management
	Central Safety Committee (once in two month) for PCR	No of accidents, first aid cases, near miss, unsafe conditions, points reported by workers, corrective actions of incidents, safety improvement jobs, suggestions received from workers to improve safety	Head HR, Safety incharge, Mfg Head, Div Head mfg, Engg and HR, purchase, doctor, Worker representative from production and engineering	Equal participation from Management and workers
	Central Safety Committee (once in two months) for BIAS, OTR	No of accidents, first aid cases, near miss, unsafe conditions, Points reported by workers, corrective actions of incidents, safety improvement jobs, suggestions received from workers to improve safety	Head HR, Safety incharge, Mfg Head, Div Head mfg, engg and HR, purchase, doctor, Worker representative from production and engineering	Equal participation from Management and workers
Chennai	Apex Safety Committee	The BU/Department Team Leaders with their safety coordinators are members of this committee. Group Leaders (PCR , TBR, Engineering and Commercial) are also part of the committee. The committee reviews all the safety issues of the plant including past incidents and their CAPA	Unit Head is the Chairman of the Committee	Around 2%
	BU/ Departmental SHE Committees	The Team Leader (SHE Representative), SHE Coordinator, SHE Champions of the BU/Dept constitutes the Committee. The team reviews the SHE performance of the BU/dept	Team Leader of the BU/ Dept is the Chairman of the Committee	Around 6%

Kalamassery	Safety Committee	Health Safety as part of Factories Act 1948 Chapter iii	Chaired by Unit Head and included members from management, Trade Unions: 21 members)	2.40%
	BBS Steering Committee	Internal BBS Standard	Management Staff and shop floor operators: 105	12.00%
	Contractor Safety Committee	Health Safety as part of Factories Act 1948 Chapter iii	Chaired by SO and includes 19 contractors	4.40%
Perambra	Apex Safety Committee	Health Safety and Welfare activities as part of Factories Act 1948 Chapter iii and iv	Chaired by Unit Head and Included members from both management and Trade Unions	2%
	Three Cell Safety Committees	Health Safety and Welfare activities as part of Factories Act 1948 Chapter iii and iv pertaining to the department.	Chaired by Manufacturing head and included members from both management and Trade Unions	6%
	Mgmt Steering Committee	Daily Safety review	Chaired by unit head and participation by all functional heads.	5%
	Contractor Safety Committee	Health Safety and Welfare activities as part of Factories Act 1948 Chapter iii and iv pertaining to the department.	Safety, Security, HR, All contractor supervisors and union leaders	2%

At the Europe region, there are active committees to ensure and improve various aspects of health & safety with 100% representation from the workforce. Below are the details for the Enschede Plant:

Name of Formal Health & Safety Committee	Details and Focus Area of Health & Safety Committee	Level where formal Health & Safety Committee operates	Percentage of Total Workforce Represented in Formal Joint Management-Worker Health & Safety Committee
Steering group SHE	Making policies and goals, achieving them by monitoring and providing means	Management	90%
SHE-commission of Work Council	Formal SHE branch of the Work Council	Work Council	100%
SHE Department group	Securing the departments on SHE	SHE-manager, BTM and appointed SHE employees	100%



Though there have been no reported cases of occupational diseases at any of Apollo Tyres' locations, effective measures are undertaken to ensure that no such incidences occur in future as well. Being committed to health & safety of its entire workforce, the Company regularly organises various educational and training programmes for workers, their families and community members to create awareness. The following programmes were organised during the reporting period:

Serious Diseases Programmes	Workforce Members
Anti smoking policy	All persons on the terrain of Apollo Vredestein
Ergonomics	Business Team 1 and 2
Sustainable Employability	Production personnel

Apollo's HIV/AIDS related education and prevention programmes emphasise on health of all its employees without bias. The existence of an HIV/AIDS policy governs the actions taken with respect to same.

During the reporting period, anti-tobacco/alcohol programmes were carried out for employees at different locations with the objective to curb such practices and reduce absenteeism, increase productivity and strengthen their family relations. No worker under the influence of alcohol and /or narcotics is permitted to enter the office premises during working hours. At Europe operations, Zero tolerance policy is followed which forbids being in an altered state just before one's shift and/or during work. The table below shows the types of diseases employees/workforce may be susceptible to based on their occupational activity:

Location	High Risk Occupational Activities	Associated Serious Diseases	Cases found in Vulnerable Groups
Baroda	Mill Operation & Compressor	Noise induced hearing loss (NIHL)	NIL
	Tyre building operation, GT Transfer	Repetitive strain injury (RSI)	NIL
	Banburry operations-exposed to chemical	Pneumoconiosis (lung diseases)	NIL
Chennai	Raw material (in powder form) handling	Pneumoconiosis	Nil
	Mixing operations	Heat Stroke, Loss of hearing	Nil
	Curing operations	Heat Stroke, Loss of hearing	Nil
	Utility operations	Loss of hearing	Nil
Kalamassery	Working in mill	NIHL	NIL
	Boiler operation	NIHL	NIL
	Tyre curing operation	Heat stress	NIL
Perambra	Working in Mills	NIHL	Nil
	Boiler operation	NIHL	Nil



Details of various educational and training programmes conducted at various locations:

Types of Programmes	Chennai	Baroda	Kalamassery	Perambra
Education/ Training	Providing training on non-communicable diseases fortnightly. Providing training about ergonomics, industrial hazards biweekly.	Training/ awareness given on effect of noise and chemicals PPE (Personal protective equipments), i.e. nose mask, ear plugs, ear muff, etc. given to all employees	Summer camp / employees Wives forum for problems related to alcoholism	Summer camp / Employees Wives forum for problems related to alcoholism
Counselling	A qualified counsellor is appointed to give counselling for those who need psychological advice both, on personal and professional front		Alcoholism and HIV /AIDS	Alcoholism and HIV /AIDS
Prevention and Risk Control	Engineering controls, periodic environment monitoring and periodic medical checkup are some of the measures taken to prevent occupational related diseases		Alcoholism and HIV /AIDS	Alcoholism and HIV /AIDS
Treatment	No case of serious disease reported till date		Alcoholism	Alcoholism

The key focus of the organisation for the next few years in the Safety Journey will be to further reduce the LTIFR. This will be done by continuously improving the safety culture of the company at and beyond its plants. This means further implementing the safety culture and standards in the field, on the road, in warehouses and in other company offices. Apollo Tyres will also involve its contractors and vendors to ensure they comply with safety standards.





# Partners

CARING FOR BUSINESS PARTNERS



Sustained growth requires committed partnerships, and Apollo Tyres is fortunate to work with some of the finest suppliers and dealers who serve in the best interests of its customers.

Apollo Tyres is aware and appreciates the significance of Suppliers and Dealers/Distributors in business sustainability and considers them as Business Partners. The Organisation is committed to conduct business in a fair and ethical manner that promotes open and fair competition in the best interest of the Company and its business partners. This also helps in maintaining a healthy and mutually beneficial relationship with them.

## Supplier Development and Management

Apollo Tyres' focus on care for its business partners ensures a long-term sustainable association. It motivates suppliers and helps them understand Apollo's needs and business requirements better, putting Apollo's brand name at the top of their business partners list. Meaningful supplier engagements help create Apollo's brand ambassadors while ensuring focus on quality and service from its suppliers.

### Purchase Policy

"Apollo Tyres considers its suppliers as long term business partners and is committed to conducting its business affairs in a fair and ethical manner that promotes open and fair competition in the best interests of Apollo Tyres and its business partners."

"We shall strive to continuously enhance customer satisfaction by providing cost effective and quality materials on a timely basis, while working together with our supply chain partners on environmental, economic and social aspects to enable sustainable business practices"

As a policy, the organisation deals directly with the manufacturers. Domestic suppliers are preferred due to benefits like proximity to plants, lower transit time and lower inventory.

Import suppliers are developed as alternate source of materials where domestic suppliers have capacity or technology limitations.

Apollo follows best procurement practices in order to help build a society capable of supporting sustainable development. The company encourages its suppliers to develop their environmental systems in compliance with the requirements of ISO14001 and to get their systems certified by an accredited third party.

Apollo's suppliers are either pre-registered or registered for REACH and executing the required activity as prescribed by REACH.

The organisation is geared to meet all raw material related requirements with reference to usage of PAH free materials for supply of tyres to Europe and other markets.

### Supplier Engagement

Engagement with suppliers exists in various spheres of working, like joint technical projects, quality workshops with natural rubber producers and processors, quality review meets for other major raw materials, CSR workshops at suppliers manufacturing facilities, Memorandum of Understanding (MoU) for purchasing volumes, and so on.

The organisation also seeks technical collaboration from its suppliers through active participation in various technical seminars and its Technical Leadership Development Programmes (TLDPs).



### Natural Rubber Supplier Meet

Supplier Partner meet is a Supplier Engagement forum where the company shares its expectations and its future business plan.

For Natural Rubber Suppliers, a three-day supplier meet was organized in January 2017 where over 75 Rubber dealers attended the event which was a blend of both

theoretical and industry exposure. One of the highlights was a visit to Dirt-Free Centre exposing the partners to the international best practices in Natural Rubber (NR) grading in an ergonomic manner. In addition to sharing the Company’s Vision and growth plans, the team, along with the technology team from Perambra plant and R&D team from Chennai, engaged with suppliers from the southern part of the state.



### Global Partners’ Summit

Recently Global Partners’ Summit was organized together with the Hungary green field plant inauguration. The Summit took place at Budapest where over 130 participants from supplier companies were present. The Summit agenda was a blend of business objectives and way forward along with company’s contribution to the society. Key highlights were, The Road Ahead, Supply Chain 2020, Apollo’s contribution to the society through various CSR initiatives, R&D approach to Innovation and Materials, about the Hungary plant and the Vendor Quality. During the meet, the Vendor Quality Manual 4.0 was also launched which talked about various quality measures and approaches to be taken.

During the Global Partners’ Summit, the following suppliers were felicitated.

*Partner of the Year – India*  
Birla Carbon

*Partner of the Year – Europe*  
Trinseo

*Partner of the Year – Global*  
Bekaert

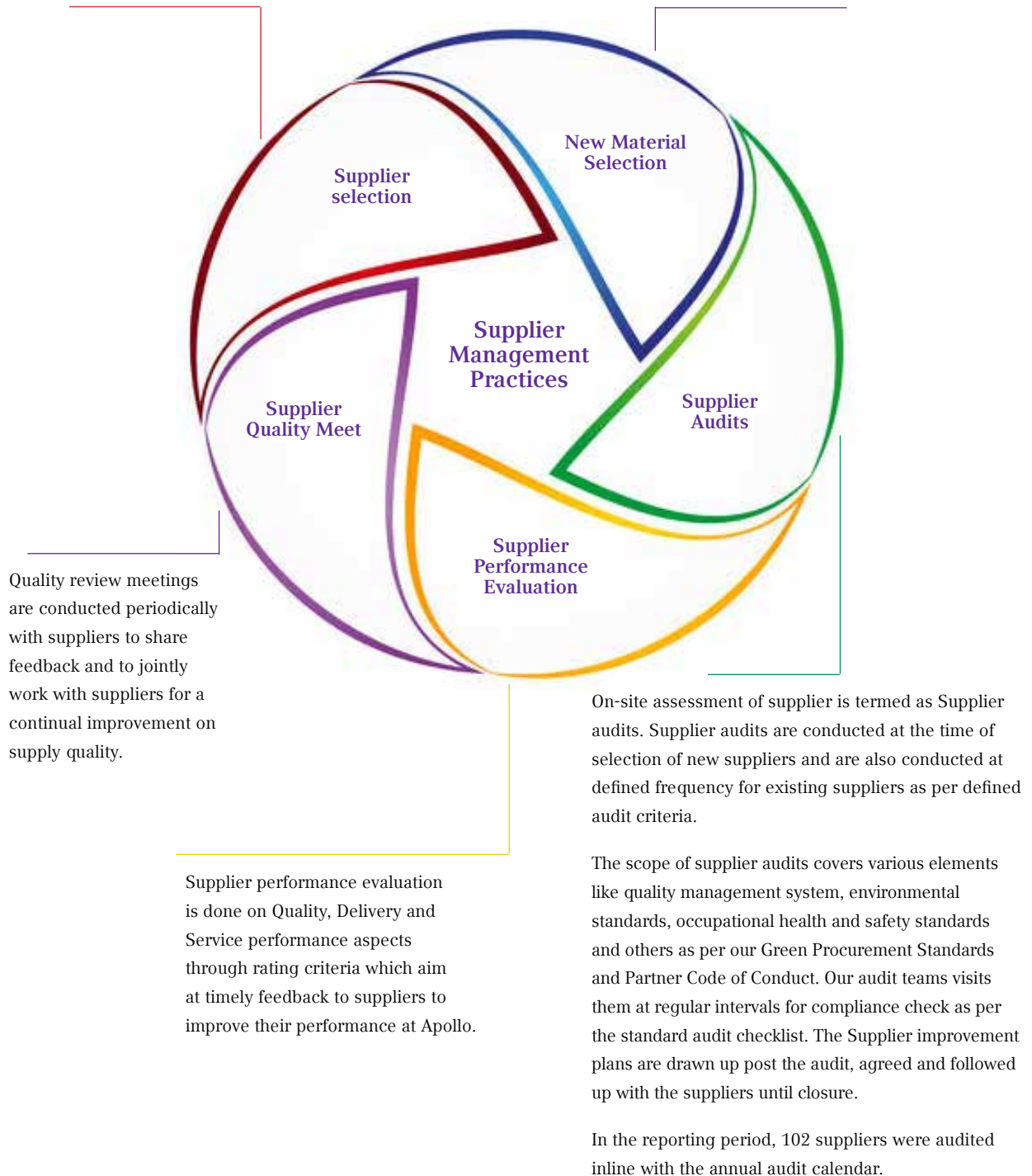


## Supplier Management Practices

The following section gives an overview of Apollo’s supplier management practices.

Supplier selection is the process by which Apollo identifies, evaluates, and approves the suppliers. Supplier selection process involves indepth evaluation and approval of supplier systems and capabilities in terms of Product quality, production capacity and financial stability.

Looking at the end product requirements and environmental consideration, careful selection of new materials is done through series of testing at labs and trials runs and those raw material who qualify on the quality and environmental requirements are selected.





## Sustainable Supply Chain Policy

Apollo Tyres expects its Business Partners to follow a path of inclusive growth and take social and environmental responsibility as they conduct their business.

### Partner Code of Conduct (PCC)

Apollo's endeavour is to work jointly with partners to promote and encourage compliance of Code of Conduct. Suppliers are expected to comply with Apollo's Partner Code of Conduct (PCC) and integrate environmental, occupational health and safety, and human rights and labour policies into their business and decision-making processes.

Apollo Tyres' Partner Code of Conduct ensures smooth operations and supply of quality products

To ensure smooth operations and supply of quality products to Apollo Tyres, partners comply with all mandatory and other applicable laws and regulations.

### Corporate Social Responsibility in Supply Chain

Apollo started a CSR programme for its supply chain partners in 2008 under which Apollo conducts awareness programmes at supplier premises on substance abuse and HIV / AIDS prevention. This is done through Master Trainers trained by International Labour Organisation (ILO).

In 2016-17, three workshops were conducted at supplier end, covering 53 participants.

## Dealer Development and Management

Dealers are an interface between the buyer and the company and hence play an important role in influencing the decision of buyers as well as providing feedback to the company on buyers' preferences and concerns.

### Vision

Apollo Tyre's approach towards dealer development is governed by its mission to be a market leader through a capable, motivated and empowered sales team.

Presence of a well-trained and knowledgeable workforce augments capacity building of dealers, enabling them to respond to customer queries. The sales team has been instrumental in executing the following tasks:

1. Sales Budget Achievement
2. Network Management – Expansion, Extraction and Upgradation
3. Demand Planning
4. Customer relationship Management and Employee Engagement
5. Motivation



Besides, policies such as 'Commercial Policy' and 'Trade Communication' pave way for decision-making regarding various matters related to dealers.

### Engagement with Dealers

In its endeavour to engage with its business partners to build credibility and offer best-in-class service, Apollo Tyres has always focused to strengthen its business process and improve dealer friendly benefits. These are helpful in fostering a culture of healthy competition, belongingness and promote ease of doing Business with a strong governance system in place.

The Company has formed a **Management Advisory Committee** comprising of business partners to collect feedback through constructive market feedback system to improve organisational performance.

Apollo **Value edge Club Programme** offers tier-based benefits to its various business partners based on the nature, extent of business and commitment. These benefits mainly include lifestyle, luxury car, exotic vacations and other electronic products.

In order to ensure that the buyers' perspective is brought back to the company, the sales team engages with them on regular basis through various platforms. One such method is **Business Partner Service Centre** which enables dealers to place queries regarding orders, payments and complaints. All feedback and grievances of dealers are recorded, mapped to departments and resolved in a time bound manner. If needed there is an escalation to the department head for resolution. There is also a periodic governance meeting to monitor the unresolved dealer issues.

Apart from the Contact Centre, the mid and senior management from sales and commercial teams regularly visit dealers to collect feedback from different markets followed by necessary actions. There is also an annual forum for the big dealers, also known as 'Platinum Dealers', wherein the senior management interacts with them in a structured manner listening to their queries, grievances and suggestions.



Robust IT-enabled platforms provide digitised solutions to all business related transactions and grievance mechanism systems



The company has also introduced two Robust IT enabled platforms – Business **Partner Service Center** and **Sampark** – to provide digitised solutions for most dealer and supplier-based activities. These online platforms provide a single window to its business partners for all matters related to business transactions, queries, benefits and grievances.

These enablers have helped to improve dealer experience and turnaround time of services along with strengthening of the product. This has cemented the trust level by making business more transparent and easy.

# Community

CARING FOR OUR SOCIETY



Apollo Tyres values its global growth, but recognises that it sustains only when change happens at the local level. The Company actively works in the communities to address issues like environment conservation, health and livelihood generation.



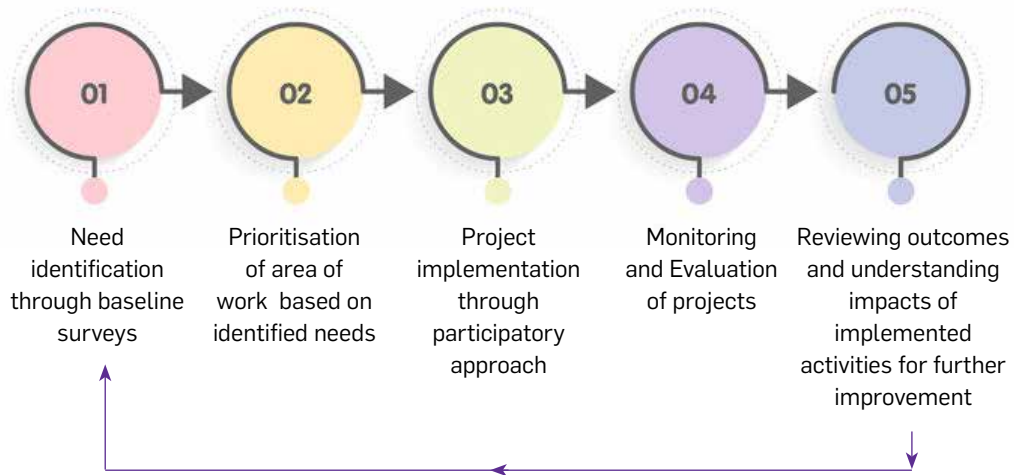
At Apollo Tyres, Corporate Social Responsibility (CSR) is embedded in the long-term business strategy to ensure that business priorities co-exist with social commitments in order to drive holistic development of communities. The company has a CSR policy that reflects the objective of social development to create a positive impact.

The fulfilment of policy stated objectives has been made possible through formulation of a well-defined strategy driven by the Corporate CSR team and implementation through a dedicated vehicle – Apollo Tyres Foundation.

In recent years, the Company has developed a more integrated approach to manage its community

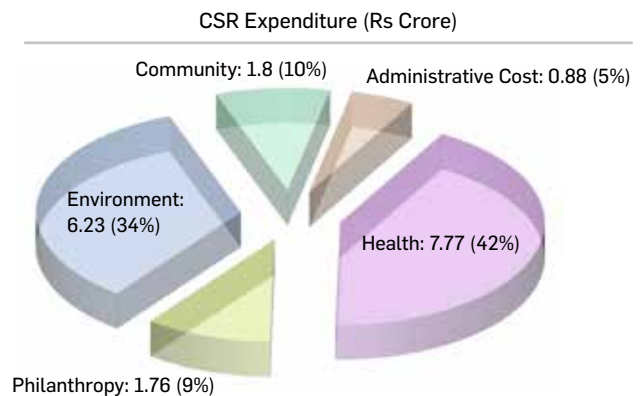
development initiatives that aligns with its key business priorities as well as national and international development goals.

Apollo believes in direct engagement with its communities to be able to better understand their needs. The projects are designed through a participatory approach. Wherever required, trained development professionals/agencies are hired for execution of CSR activities focussing on Environment and Social issues. Our Community Development Strategy encompasses following key steps:



Apollo Tyres has been executing CSR projects around its facilities/ project sites and also extending them to other identified locations as necessary. All its programmes are developed in partnership with the community to ensure that they cater to specific needs and to inculcate a sense of ownership amongst community members. Thrust areas of the Company’s CSR projects are:

As per the regulatory requirements, Apollo Tyres complies with the requirements of Section 135 of the Companies Act 2013 and in 2016-17 invested 2% of its net profit in CSR amounting to Rs 18.44 Crores. Break up of CSR expenditure is given below:





## Environment Initiatives

Believing that the resolution of environmental problems is imperative for sustainable business growth, Apollo Tyres supports environmental conservation activities in the area of energy conservation, reduction of emissions, water conservation and reduction of waste material. The aim of the environmental intervention projects is to reduce the impact of Apollo's products on environment and society at large at all operational levels.

Various environmental projects undertaken by Apollo Tyres fall under the following themes –

1. Biodiversity Conservation
2. Climate Change Mitigation
3. Watershed Management
4. Waste Management

## Biodiversity Conservation

Continuing the commitment towards environment sustainability, the organisation has initiated various biodiversity conservation projects. The projects range from establishing theme based gardens such as creation of butterfly zones to apiculture inside the plant and outside in the community in Kerala, India.

## Climate Change Mitigation

We have contributed to conservation of biodiversity and mitigation of climate change with the help of projects like afforestation, mangrove conservation and biogas promotion. Under afforestation project the organisation has planted a total of 2,50,000 trees in Tamil Nadu for emission reduction. Of these, 1,50,000 trees were planted in the reporting year. As per the estimations, around 1600 tonnes of CO<sub>2</sub> has been sequestered from these trees since inception of the project. Total area converted under social forestry is over 350 acres with 355 beneficiaries.





### Congratulations!

#### APOLLO TYRES LIMITED

6<sup>th</sup> Floor, Cherupushpam Building, Shanmugham Road, Kochi, Kerala - 682031

for planting trees through TIST Program, a Program which goes beyond mere 'sustainability' by enabling the current generation of farmers to meet its needs in a way that enhances the ability of future generations to meet their needs.

APOLLO TYRES LIMITED HAS PLANTED 250,000 TREES.  
TREES HAVE SEQUESTERED OVER 1,600 TONNES OF Co2

*TIST - Planting Trees and Improving Agriculture for Better Lives. TIST empowers Small Groups of subsistence farmers in countries such as Tanzania, Kenya, Uganda, and India to reverse the devastating effects of deforestation, drought, and famine. Since 1999, TIST participants have been identifying local sustainable development goals that include tree planting and sustainable agriculture. TIST creates a communication and administrative structure that also addresses health (including HIV/AIDS), education, and nutrition. TIST expects to provide long-term revenue for the Small Group participants through the sale of greenhouse gas credits (GhG).*





Ben Henneke  
Founder - TIST

April 10, 2017. Chennai 75  
Date and Place

TIST Tree Planting India Private Limited, Flat A, Plot 69, 26th Street, Sankar Nagar, Pammal, Chennai 600075  
Phone: +91 984029822 / Email: josephrexontist@gmail.com / Skype: a.joseph.rexon, Visit us @ www.tist.org

Mangrove conservation is another very important project started under this theme. The organisation has partnered with Wildlife Trust of India (WTI) to implement the project in Kannur district.

The Kannur Kandal Project – 'kandal' being the Malayalam word for mangroves – aims to ensure the survival of existing mangroves and increase the acreage of such habitats across Kannur, potentially making it a prototype for other coastal districts of Kerala and a model for the rest of the country.



The actual site for Apollo Tyres-WTI’s project is located in Kunhimangalam village in Kannur district, which is one of the largest mangrove villages of Kerala. The project establishes a hub, located in the natural ecosystem, for mangrove-based education, serving as an open air laboratory for research and promoting restoration through community and government participation. A mangrove nursery and community-based initiatives to enhance public awareness and reduce threats to mangroves, are other aspects of the project.

In Limda, Gujarat, Apollo Tyres is working on bio gas utilisation as a mainstream cooking fuel. To achieve this objective, 50 household level biogas units have been installed. The women have already started realising the benefits as this has freed them from long walks to fetch wood and save time as well. That available time is invested in income generation or spending with the family.

## Watershed Management

Implementing good watershed management practices can go a long way in dealing with the increasing water crisis. To address the issue of water shortage and quality, Apollo Tyres has initiated various projects in the villages around its manufacturing locations.

1. *Access to purified drinking water:* The project aims to provide drinking water to the nearby community in Orgadam village nearing our manufacturing facility in Chennai.

2. *Eco restoration and improvement of water bodies:* Pond restoration projects are undertaken at Chennai, Limda and Perambra locations. The projects are designed for restoring and enhancing the aqua-biodiversity. The activities include water quality assessment, cleaning, deepening and bunding of the ponds. It also involves development of surroundings around the pond area. Taking an ecosystem approach, the Company aspires to make these ponds fit for supporting aquatic life as well as provide for green space, and be a source of clean water.

3. *River conservation project:* The project mainly focuses on the assessment and conservation of Riparian vegetation and associated Biodiversity of Chalakudy River in Kerala. The first phase activity concentrated mainly in the 10km stretch of Chalakudy River from arangalikadavu to koodapuzha check dam. The project engages school students and local communities through awareness generation activities. Students have also got an understanding about the local biodiversity.

## Waste Management

Waste generation and its management is a key challenge for any paradigm – industrial, urban or rural. Prudent usage of resources to generate less waste and effective reuse and recycling of waste remains the best solution for sustainable development. This also transforms into effectively putting lesser burden on the Earth.



Aligning with the national agenda *Swachh Bharat Abhiyan*, Clean My Transport Nagar and Clean My Village, community solid waste management projects were implemented. The initiatives target to improve waste management and cleanliness of identified trans-shipment hubs and villages in India. The initiatives also aim to generate awareness on health and sanitation among stakeholders. The project is running in eight transport locations – Delhi, Mumbai, Chennai, Kolkata, Agra, Jaipur, Jodhpur and Kanpur – and the villages around Apollo’s manufacturing locations.

A total of 1,53,077 kgs of waste was collected and 85,679 people were impacted through various outreach programmes

## Health Initiatives

Apollo Tyres has identified Health as one of its key areas of intervention, where preventive health services are provided to vulnerable sections such as truck drivers and to communities around its manufacturing locations.

### HIV-AIDS Awareness and Prevention Programme

Apollo Tyres Limited has been addressing this concern through its intervention for vulnerable truck driver community across 25 trans-shipment hubs of India. The project aims at increasing awareness on STI/HIV which draws alignment with recently released Global Goal 3 – Good Health and well being.

The Centres offer a spectrum of services – Behaviour Change Communication (BCC), Sexually Transmitted Infection Treatment (STI,) counselling, peer education programme, condom promotion, Integrated Counselling and Testing centre support, and, substance abuse integration. The services also include doctors’ consultation at a nominal fee, free medicines and counselling facility.

The organisation has also partnered with Elton John AIDS Foundation and started HIV-AIDS Prevention and Awareness project for the migrants in Delhi transport nagar.

85,077 people were treated, 4,85,473 were impacted through awareness programmes, 65,552 were counselled and 89 were tested HIV positive



### Vision Care

Truck drivers in India suffer from multiple health problems related to their long travelling and inadequate rest hours. Long distance issue is one of the major health problem identified in this segment. Recognising the health risks of this stakeholder group, Apollo has started vision care programme for its customers.

Under this initiative periodic eye check up camps are organised for truck drivers in transport nagars. Spectacles are distributed at low costs to the people identified with refractive error issues. Cataract patients are linked with nearby hospitals for further treatment.

18,130 people were screened through vision testing camps, of which 8,610 were identified with refractive error and 4,299 people received eye glasses. 511 patients identified with cataract were further linked with hospitals for treatment



## Promotion of Health and Sanitation

Aligning with *Swachh Bharat Mission*, the organisation has constructed 333 toilets in Vallakottai, Mathur, Sennakupam and Vallam Panchayath, Chennai. Apart from constructing the toilets, the project also focuses on awareness raising and behaviour change communication.

June 2016 onwards Vallakottai Panchayath was declared as Open Defecation Free Panchayath by the Govt. of Tamil Nadu

## Community Development

Community Development programmes are carried out in the following areas:

### Livelihood and Income Generation Programme

Under this initiative, women are trained on livelihood activities so that they need not to go out from their village for income generation. The main objective of this initiative is to create livelihood opportunities and develop entrepreneurship capabilities of underprivileged women. Training includes vocational skills such as apparel making, jewellery designing, nursing, beautician, housekeeping, khakhra making, sanitary napkin making, soap and detergent making, making home cleaning agents, etc. Trained beneficiaries are further linked with the market and service sector for employment. In the reporting year, around 900 women were trained in various income generation activities and linked with the market.

Under this initiative, employment counseling and soft skill training was also provided to the ITI and engineering graduates in select colleges of Cochin and Chennai.

### Improved Farming Practices

The project engages with and supports local farmers in the community through capacity building activities like livestock care and management and scientific agriculture practices. It not only strengthens the knowledge about modern techniques of farming, increased crop yield skills and agricultural practices expertise of the farmers, but also establishes linkages with the market to ensure direct financial benefits. The main aim of the programme





During the reporting period, 1,547 farmers received training on improved farming and 1,793 farmers received training on livestock care and management



is to enable farmers to acquire new knowledge and skills in modern crop practices. Basic training related to seed selection, preparation of land, soil testing, organic compost making, methods of irrigation, kitchen gardening practices, etc, is imparted.

### Computer Literacy Project

To impart computer knowledge and enhance digital literacy skills, a computer literacy project was launched for school children of Mathur, Orgadam, Sennakupam, Eraiyyur and Vallakotai villages near Apollo's Chennai plant. The first computer lab was set up in Sennakuppam Adi Dravidar School followed by Eraiyyur Middle School and Mathur Primary School. Computer tutors are appointed for these schools and maintenance is taken care by the implementing agency. Modules are specially created for training the children. Total 340 students benefited from the project.

### Road Safety Awareness Programme

The road safety programme, implemented in Perambra, adopted two main sub-themes. One was related to awareness on road safety for school students and the other focused on installation of road safety boards for road users. Various tools/methods were used in the programme, such as pamphlets and booklets on various road safety issues, street plays and banners with slogans on road safety.

### Supply Chain

Apollo Tyres is working on mechanisms to secure community feedback and continued participation that will ensure sustainability of its CSR interventions in the years to come.



## Initiatives in Europe

In line with the organisational value 'Care for Society', a strong focus on environment, healthcare and education was continued in Hungary. In cooperation with a local Hospital in Gyöngyös, a Toy Room for children staying there for treatment was created.

As part of the environment initiative, information boards have been placed at the Kékes interpretation trail, which is one of the biggest National Parks in Hungary. With its interpretation trail Apollo would be able to introduce the protected area with 11 complex nature information to around 30,000 people.

Based on the Hungarian educational data and in line with the EU2020 strategy Apollo Tyres introduced a new tutoring pilot project in vocational schools where the Company started Apollo trainings. The aim was to minimise the drop-out rate and tutor those students who need additional after-school classes in order to improve school achievements. In the framework of the pilot project, Apollo will provide tutoring and scholarships for the most promising students as well as other integration and performance increasing activities.

Apollo Hungary undertook philanthropic activities in support of education of underprivileged children. The company donated a hydraulic lift to a local special school in order to support the less-abled children to join classes.

With the Toy Room initiatives and the lift donation, Apollo reached directly to more than 500 children. Indirectly 3,000 little patients were provided in-hospital or outpatient care during the last six months.

With tutoring the Company involved directly 25 students and four teachers.

In Enschede, Apollo Tyres is participating in a biodiversity project, together with the Municipality of Enschede. The goal of this project is to increase biodiversity in the region close to the Apollo Vredestein plant area and revitalise the City Beek. The slope of the Beek will be planted with various plants and flowers. Bees, insects and other animals can develop in this biotope. The project will be realised in several phases.



# Environment

CARING FOR ENVIRONMENT



Apollo Tyres' path of growth is one that respects environment and is committed to reduction of its environmental footprint. The Company constantly works towards conserving more and using less.



Eco-conscious operations have been central to the manufacturing strategy at Apollo Tyres. The organisation deeply values the significance of a healthy environment and has always made efforts to preserve it.

Apollo Tyres considers its Environment as a key stakeholder and contributor in sustained growth and ensures that its care is paramount. This approach has been developed under the framework of ISO 14001 – Environment Management System. All the operations

are certified to this international standard. The Company continues to invest in new technologies to improve performance and enhance resource efficiency. It believes that through conscious efforts it can significantly mitigate the environmental challenges and contribute towards the conservation and well-being of the ecosystem. It takes environment consciousness beyond the fence and has many environment initiatives as a part of the CSR efforts aimed at communities at large. These have been detailed in the ‘Care for Community’ section.

## Raw Material Sourcing and Management

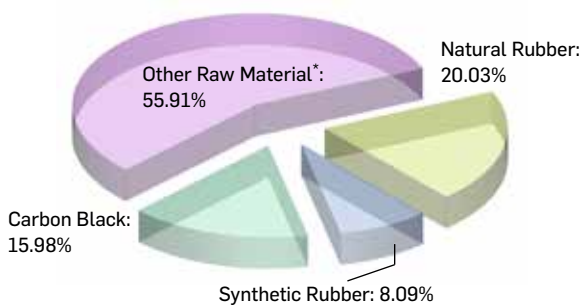
Apollo Tyres is conscious of its footprint and strives to make judicious use of resources. The organisation puts in concerted efforts through dedicated R&D centres to achieve the above.

The three main constituents used for manufacturing tyres are natural rubber, synthetic rubber and carbon black. During the reporting period, these three comprised 46.1% of the total raw material consumption. This was higher than last year when the percentage was 40.5%. The majority of rubber consumed in the operations has continued to be natural rubber. In the APMEA operations, natural rubber constituted 71.2% of the total rubber used. The share of natural rubber use in the Europe region rose to 61.8% in the reporting period as compared to 44.6% in FY '16.

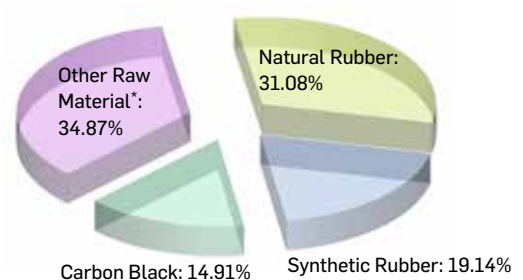
Total raw material consumed across all the operations:  
768,170 metric tonne

Total recycled material:  
7,027 metric tonne

RAW MATERIAL CONSUMED – APMEA



RAW MATERIAL CONSUMED – EUROPE



In the APMEA operations, total raw materials consumed were 6,94,582 metric tonne and the total recycled material was 6,169 metric tonne.

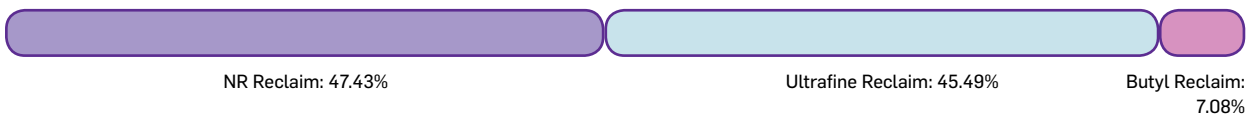
In our Europe operations, total raw materials consumed were 73,588 metric tonne. The total recycled material was 858 metric tonne.

\* Other Raw Materials includes associated process materials. In APMEA it also includes Steam used in Limda.

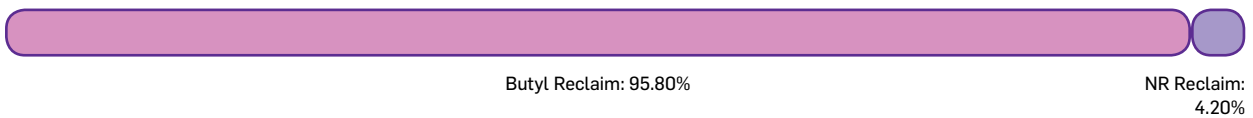




RECYCLE MATERIAL USAGE – APMEA



RECYCLE MATERIAL USAGE – EUROPE



## Energy Performance

The energy profile of Apollo Tyres consists of direct and indirect energy sources which are a mix of renewable and non-renewable fuel types.

In our India operations, the main source of direct energy used in the reporting period was coal, followed by furnace oil. At Netherlands, direct energy was sourced from Natural Gas.

In India operations, the leading source of indirect energy was electricity followed by wind energy. At Netherlands, electricity was the main source of indirect energy.

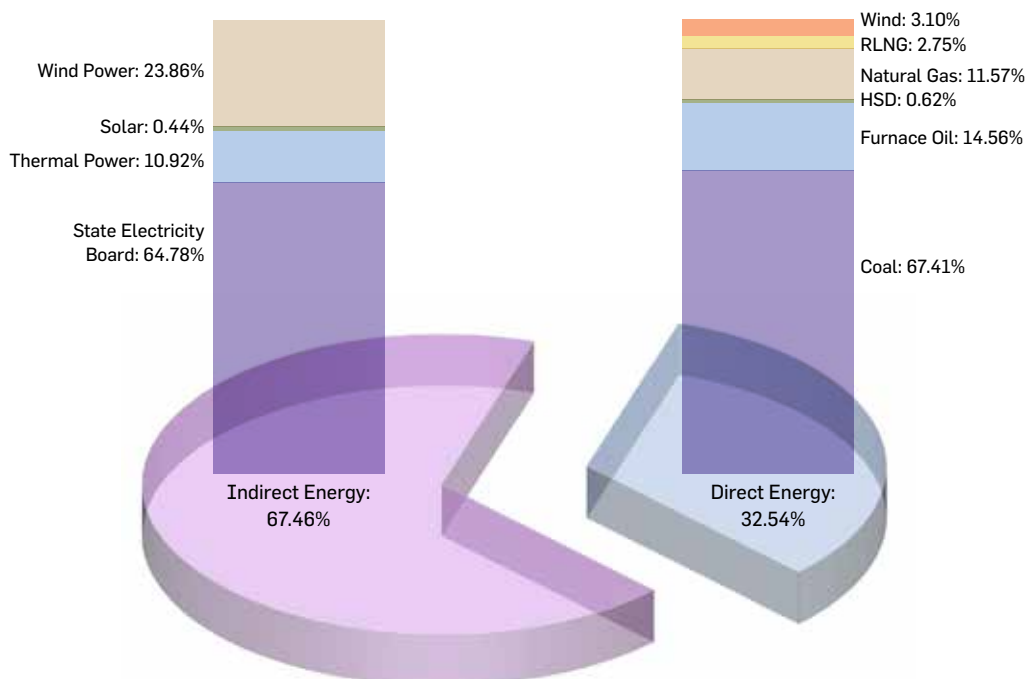
The total energy consumption (both direct and indirect) for the reporting year was 4,007 TJ as compared to

3,395 TJ for FY '16. The share of direct energy was 67.46% (2,703 TJ) and that of indirect energy was 32.54% (about 1,304 TJ).

As in the previous year, non renewable energy sources constituted a major part of total energy consumption. However, the share of renewable energy in the total mix has been 10% in the reporting period – this is higher than the previous year when it stood at 6%.

Coal is the main source of direct energy, supplying 1,822 TJ, followed by furnace oil (393 TJ) and natural gas, including RLNG (387 TJ). The total direct energy consumption was 2,703 TJ.

SOURCES AND SHARE OF DIRECT AND INDIRECT ENERGY



Indirect energy (1,304 TJ) is primarily sourced from local electricity grids (845 TJ). There has been a significant increase in the share of Wind energy which accounted for 311 TJ in FY '17 as compared to 112 TJ in FY '16. During FY '16, Solar energy was also introduced in the energy mix in Chennai and contributed to 0.44% of the indirect energy consumed amounting to about 6TJ.

APMEA operations accounted for 86.8% (3,477 TJ) of the total energy consumed during the reporting period. Though coal remained the leading source of direct energy, there has been concerted effort to increase the renewable energy share, which accounted for 11.5% of the energy mix in the APMEA operations.

Europe operations constituted 13.2% (530 TJ) of Apollo Tyres' total energy consumed during the reporting period.

## Energy Efficiency Initiatives

Energy efficiency provides dual advantage of consuming lower energy as well as reduce the carbon footprint. The organisation embarked on the Energy Management System journey in FY 15-16 with the implementation of ISO 50001 and covered all the operations in the reporting period. There were several initiatives that were undertaken during the reporting period which resulted in energy savings of 53,009 GJ.

Apollo Tyres has been continuously making efforts to achieve energy efficiency through improvements in its process design, conversion and retrofitting of equipment and use of energy efficient equipment. During the reporting period, major savings were realized from conversions and retrofitting of equipment. The table below lists the energy saved across operations.

Plants	Process Design	Conversion and Retrofitting Equipment	Use of Energy Efficient Equipment	Total Energy Saved in GJ
Limda	1713	1191	-	2,904
Kalamassery	834	-	-	834
Perambra	-	32374	1264	33,638
Netherlands	-	15,633	-	15,633
<b>Total Energy Saved in 2016-17</b>	<b>3,738</b>	<b>48,007</b>	<b>1,264</b>	<b>53,009</b>

The share of renewable energy in total energy consumption is 10% – higher than previous year's 6%

Implementation of ISO 50001 Energy Management System in all operations

Energy savings of 53,000 GJ



The Perambra plant in the APMEA region achieved a saving of 28,583 GJ of energy by Operational control and insulation of steam distribution system, apart from other measures. The Limda plant converted 800 highbay light fittings to LED to achieve 1191 GJ of energy savings.

At the Enschede operations, conversion and retrofitting of equipment through insulation of curing line resulted in saving 15633 GJ energy during the reporting period.

## Emission Reduction

Manufacturing operations at Apollo Tyres use state of the art technology to ensure clean operations. The concentration of air emissions across all the plants was within the prescribed limits throughout the reporting period.

Ambient Air Pollutant (mg/m <sup>3</sup> )	Chennai		Perambra		Kalamassery		Limda	
	Ambient (µg/m <sup>3</sup> )	Stack (mg/m <sup>3</sup> )	Ambient (µg/m <sup>3</sup> )	Stack (mg/m <sup>3</sup> )	Ambient (µg/m <sup>3</sup> )	Stack (mg/m <sup>3</sup> )	Ambient (µg/m <sup>3</sup> )	Stack (mg/m <sup>3</sup> )
NOx	23	38.7	14.6	-	17.5	42.1	10.63	21 ppm
SOx	12	41.9	16.3	346	16.5	141.5	5.18	12 ppm
Particulate matter (PM10)	54	46.6	72.5	82.47	63.5	75.2	74.48	109

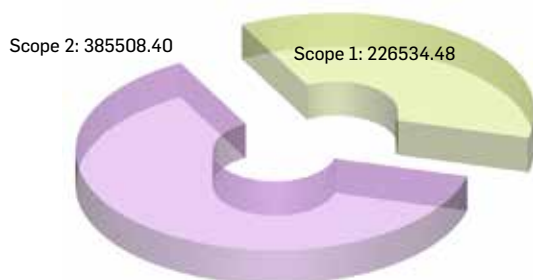
In Enschede, 5638 Kg of NOx was emitted during the reporting period. This is significantly lower as compared to previous year, when it was 8,952 Kg.

## Green House Gas (GHG) Emissions

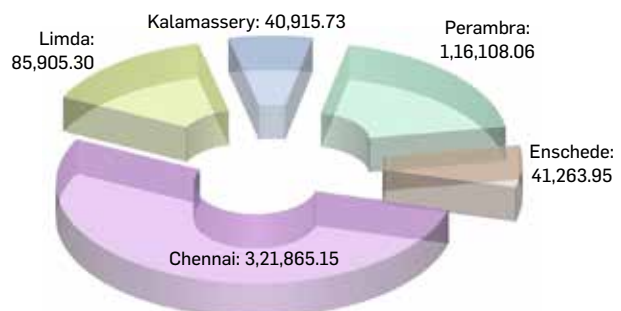
At present, the operations mostly depend on non-renewable energy sources. However, the share of renewable energy as an energy source has gone up during the reporting period, which has positively impacted the overall carbon footprint.

For this report, emissions under Scope 1 and Scope 2 have been considered, as defined by the GHG Protocol. This year we have also included the emission from the Corporate Office in Gurgaon for calculating the carbon footprint.

GHG EMISSIONS (tCO<sub>2</sub>e) – SCOPE BREAKUP



GHG EMISSIONS (tCO<sub>2</sub>e) – LOCATION BREAKUP



## Life Cycle Assessment

Life Cycle Assessment [LCA] is considered to be a strategic tool for evaluating and assessing the environmental burden associated with resource and energy consumption, emissions, effluent and solid waste generation during the life span of the product. It also helps in drawing up a continual improvement roadmap by working on the hotspots identified in the study.

As part of its sustainability initiatives, the Company did an LCA study for its Radial Tyre for Passenger Vehicles – Amazer 3G Max India – manufactured at

its Oragadam facility in Chennai. The study was done using sophisticated software-based model and was aligned to the ISO 14040 International standard.

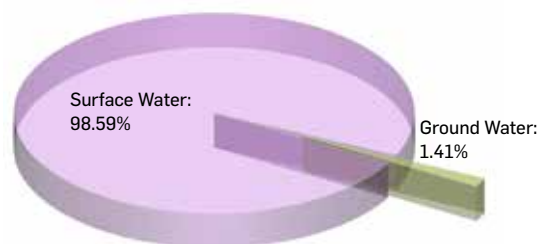
As was found from the study, the ‘use’ phase presents the highest contribution in most of the environmental impacts followed by ‘raw materials’ phase. As a forward-looking organization Apollo ensures high quality of input raw material and raise awareness of its customers on optimal use.

## Water Sourcing and Management

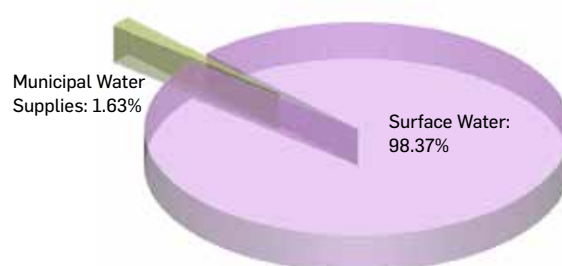
Primary source of water at the operations is surface water, which accounted for 98.4% of total water consumption during 2016-17. Other sources include ground water and municipal water. The table below shows the total annual Water Withdrawal (in m<sup>3</sup>) for 2016-17:

	Perambra	Kalamassery	Limda	Chennai	Netherlands	Total annual water withdrawal
Annual water withdrawal	5,43,807	2,34,853	9,14,960	5,69,760	39,79,403	62,42,783

SOURCES OF WATER WITHDRAWAL - APMEA



SOURCES OF WATER WITHDRAWAL - EUROPE



Several water conservation initiatives were carried out at various APMEA units:

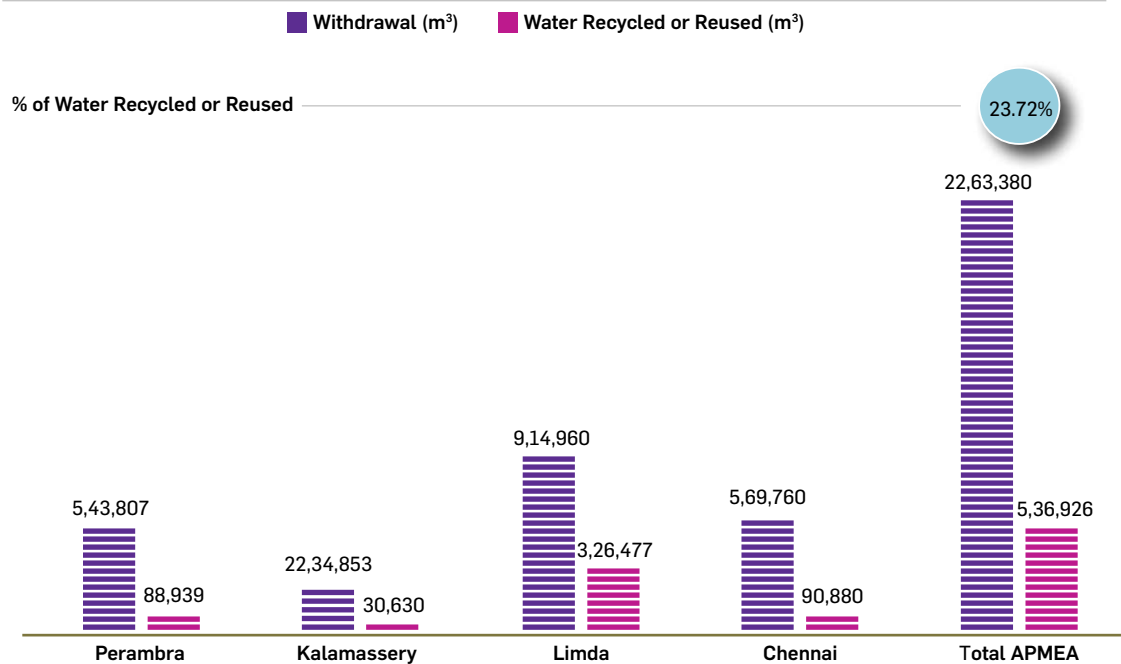
- ⊕ At the Chennai plant, there were enhancements made to the Effluent Treatment Plant [ETP], and the output of Sewage Treatment Plant was treated with UF and RO.
- ⊕ The Limda plant utilised the ETP final effluent as plant softener by passing it through ultra filtration.
- ⊕ The Perambra unit saved water by Recovery of Exclusive Chilled Water from Inclined conveyor of Dual Extruder .

**Total recycled or reused water:  
5,36,926 m<sup>3</sup> – 8.6% of total  
annual water withdrawal**



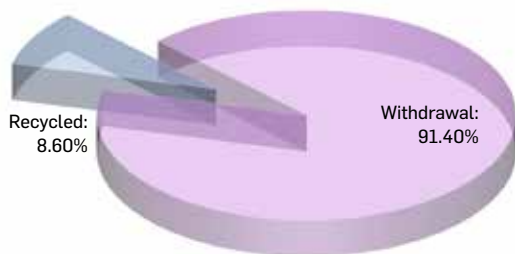


VOLUME OF WATER RECYCLED AND REUSED IN APMEA



Break-up of total water usage in terms of recycled water and fresh water withdrawal:

WATER RECYCLED V/S WATER WITHDRAWAL



At the APMEA operations, the total annual water withdrawal was 22,63,380m<sup>3</sup>, of which 5,36,926 m<sup>3</sup> (23.72%) was recycled or reused.

In the Europe operations, the source is surface water and water supplied by the local municipal body. For the reporting year, the total annual water withdrawal was 39,79,403 m<sup>3</sup>.

## Waste Reduction and Management

Waste generated from tyre manufacturing process is in solid and liquid form and is classified as hazardous and non-hazardous. This segregation enables formulation of suitable strategies for their safe disposal, thus preventing harm to the environment. The types of waste generated during the reporting period is given in the table alongside.

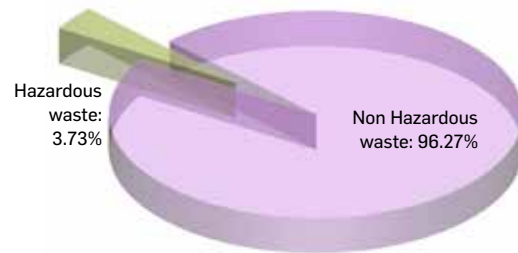
Hazardous Wastes	Non-Hazardous Wastes
Used oil / waste oil	Waste rubber
ETP sludge	Scrap tyres
Scrap rubber compound	Rubberised fabric
Empty Paint Cans	Process / Metal Scrap
Oil barrel	Scrap Saw Dust
Oil soaked cotton waste	Scarp Rubberised Radial Steel Belt

The total solid waste generated in the reporting period was 23,325 metric tone.

In the APMEA operations, 712 metric tonne of hazardous and 17,280 metric tonne of non-hazardous solid wastes were generated. The hazardous liquid waste generated was 15,825 kilolitres.

A total of 159 metric tonne of hazardous and 5,174 metric tonne of non-hazardous solid waste was generated in the Europe region.

SOLID WASTE - HAZARDOUS AND NON HAZARDOUS



A waste management initiative in the Europe region – ‘Scrap Attack Programme’ – resulted in reduction of 336 metric tonne of waste in FY ’17 as compared to FY ’16

## Conservation of Biodiversity

Protection and enhancement of biodiversity is important for the well-being of the entire value chain. As part of its environment programme ‘HabitAt Apollo’, several activities were carried out, within Apollo Tyres’ plants. While some of these activities were directly aimed at biodiversity conservation, others had indirect benefits.

In addition, numerous other biodiversity activities around the plants were undertaken as a part of CSR work. This has been detailed in the ‘Care for Community’ section.

Formal risk and impact assessment studies to measure impact on biodiversity at Apollo’s manufacturing locations were conducted by third party agencies. As an outcome of this study, biodiversity conservation projects were initiated at the Perambra and Kalamassery plants.

At Kalamassery, these activities included maintaining the existing theme gardens such as butterfly garden, snake repellent plant belt and fruit garden to enhance the biodiversity and increase species of flora and fauna. Apollo Tyres also supports the Kalamassery municipality in maintaining this green cover in an eco-friendly manner.

At Perambra, the initiatives included conservation and restoration of pond ecosystem by developing theme gardens and converting them into a learning centre by placing information boards. Apiculture, for collection of honey from rubber trees within the premises was also continued at Perambra during the reporting period.



# Research & Development

INNOVATING FOR GROWTH



Apollo Tyres considers Research & Development as one of the major pillars of progress. Developing path breaking technology and products that exceed customer expectations is central to Apollo's growth.

One of the most important requirements from customers, be it OE manufacturers, replacement markets or even individual customers, is durability and low rolling resistance of tyres and both are linked with environmental sustainability. Durability of tyres helps reduce environmental damage due to accumulation of end of life tyres, and low rolling resistance reduces emissions as tyres with lower rolling resistance reduce fuel consumption and energy usage. Moreover automobile industry is facing stiff sustainability targets which have to be supplemented by manufacturers of components such as tyres.

One major reason for higher emissions due to tyre rolling is improper inflation pressure. Insufficient inflation causes tyres to consume more energy for rolling, which comes from burning more fuel. Many survey reports show that majority of tyres, even in more aware markets such as US and Europe, are under-inflated. This has led to mandating usage of equipment such as Tire Pressure Monitoring Systems (TPMS), which warns the driver about insufficient tyre pressure.

Another major area of concern is land-filling of scrapped tyres which pollutes land and water apart from being breeding grounds for many dangerous living organisms and mosquitoes. Also tyre manufacturing involved many substances of concern which are restricted by regulations such as Registration, Evaluation, Authorization and Restriction of Chemicals ('REACH').

Apollo's R&D is at the forefront of sustainability efforts by tyre manufacturers. Considering all the requirements to ensure sustainability, Apollo's R&D has made significant strides in every aforementioned area. Its focus on fundamental research in the field of advanced and alternative materials in tyres aims to support sustainability efforts.

The R&D team is currently engaged in numerous new research projects in-house as well as in collaboration with external partners like National Research Institutes, Universities and RM suppliers, to create the much needed technological edge to the company in areas of environmental sustainability. Some key projects are – Nano delaminated clays, De-proteinised Natural Rubber, Silane modified clays, New generation Silanised Silicas and Self healing tyre, all focusing on fundamental areas of tyre performance such as lowering Rolling Resistance

and rate of wear and improving wet grip. Some of these projects are now moving to industrialisation phase, while others like new generation carbon black have been already industrialised. Reducing wear rate helps reduce release of tyre tread particle into air to reduce air pollution and thus enhances health and safety.

## Amazer 4G life guarantees a hundred thousand kilometres on highly abrasive Indian roads

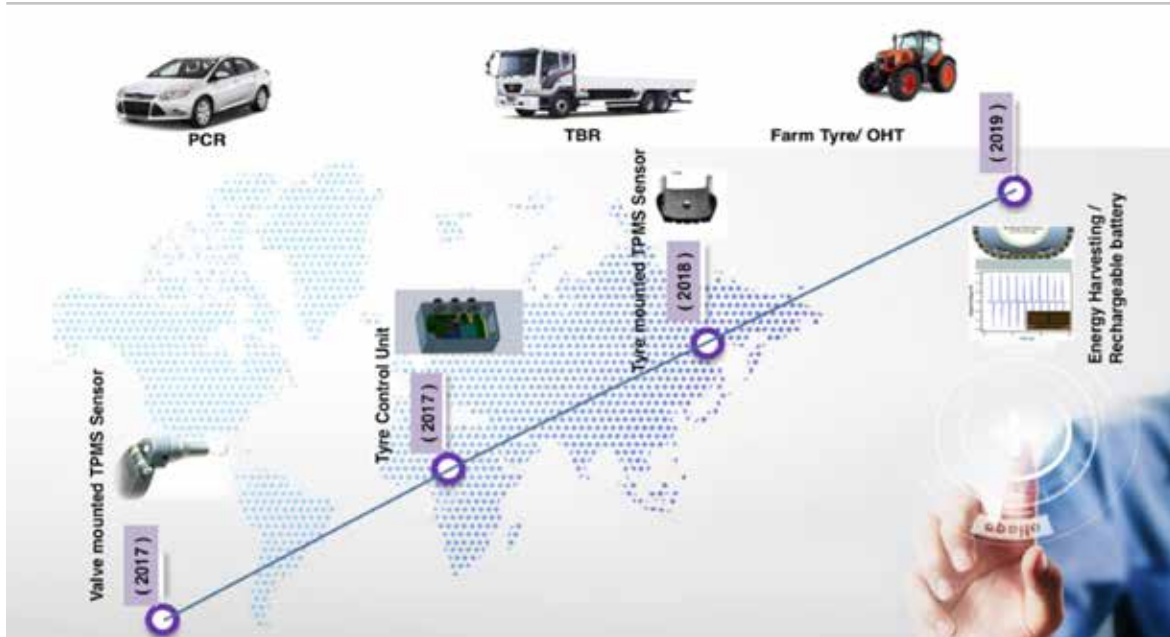
Apollo has recently launched Amazer 4G life, a tyre guaranteeing a hundred thousand kilometres of assured life for the customer on highly abrasive Indian roads. This tyre has become extremely popular particularly among cab operators. The Company's Endurance TBR products due for Europe launch have also qualified in all required European regulatory tests of rolling resistance, wet grip and noise. They have also passed the winter application tests conducted in Finland for their snow grip potential, which ensures safety of passengers in severe winters.

Apollo's Advanced Engineering Centre in Bangalore is in the advanced stage of developing a Tyre Pressure Monitoring System (TPMS) which will help maintain right inflation pressure in the tyres to reduce emissions. The centre is also working on electronic sensors which will help create an 'Intelligent tyre' for communication with vehicle control systems, which in turn provide overall improvement in operational efficiency of vehicles. The centre is also engaged in various projects which will improve quality monitoring and process control at Apollo's manufacturing plants ensuring low energy consumption.





TPMS - Development Roadmap



## Compliance with REACH and PAH regulations

Apollo is also geared up to meet all the current and future tyre labeling requirements as and where applicable. REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation was adopted into the European Union (EU) law in December 2006 and came into force on 1 June 2007. REACH puts the responsibility on industry to provide safety information for substances and to properly manage the risks arising from their use. In order to comply with the regulation, the Company ensured REACH compliance of its downstream raw material supplies by scrutinising test reports on Substance of Very high Concern and PAH (Entry 50 of Annex XVII to REACH) compliance wherever it is required. Besides these, Apollo’s tyres are periodically tested and certified by certifying agencies for ensuring compliance.

## Compliance with Conflict mineral rule

Conflict minerals (Gold, Tin, Tantalum and Tungsten) are minerals mined in conditions of armed conflict and human rights abuses, mostly in the eastern provinces of the Democratic Republic of the Congo. The profits from

the sale of these minerals are used to finance continued fighting, and control of lucrative mines becomes a conflict issue.

Section 1502 of the Dodd–Frank Wall Street Reform and Consumer Protection Act, passed by the Congress and signed into law by President Barack Obama on 21st July, 2010, requires U.S. and certain foreign companies to report and make public the use of so-called ‘conflict minerals’ from the Democratic Republic of the Congo or adjoining countries.

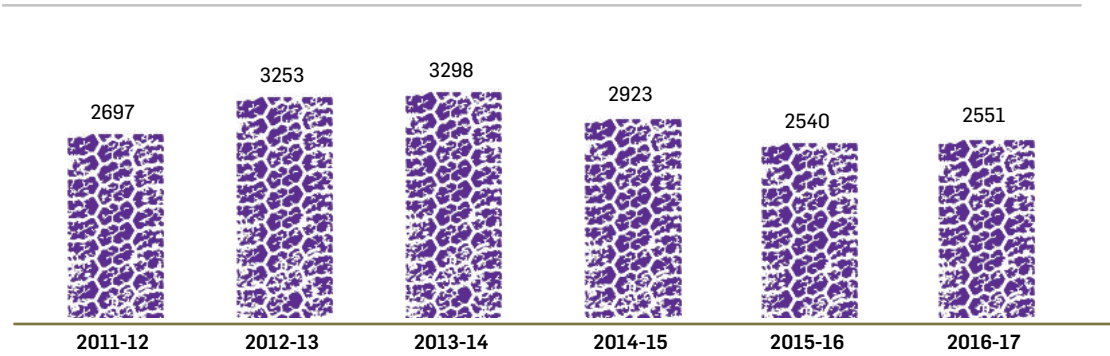
In support of our OEM customers for complying with this law, we have enabled our Supply Chain system for traceability of origin of these minerals supplied to our downstream suppliers, up to the smelter levels and mines and the same is periodically updated and reported in the templates provided by OEMs.

## Reutilisation of tyre recycled material

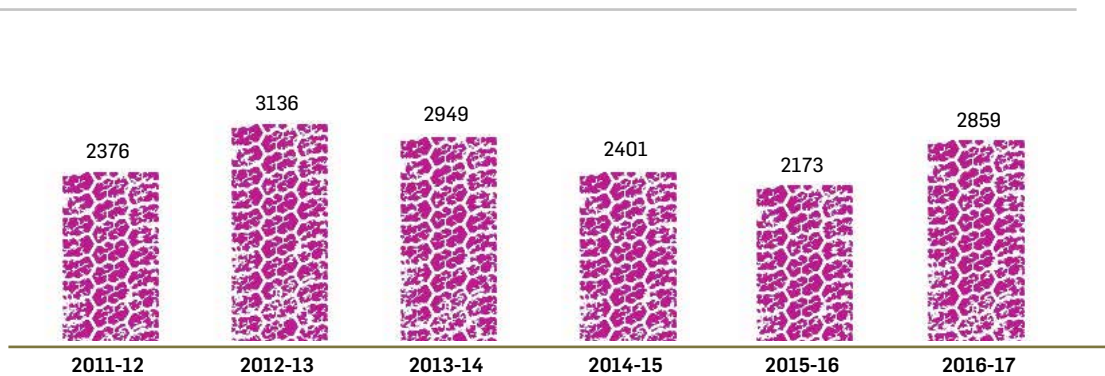
End Life of tyres cannot be considered as a simple waste to be disposed off. They are, in fact, a resource of renewable materials and energy. Usage of every 450g of powdered rubber crumb helps to save 10kWh of energy, 40% of the CO<sub>2</sub> produced with traditional alternatives.

Apollo Tyres continuously reuses and recycles material like powdered tyre crumb, reclaim and devulcanised rubber, thereby saving considerable amount of materials of petroleum origin.

REUSE OF TYRE RECYCLED MATERIAL – POWDERED TYRE CRUMB (IN MT)



REUSE OF TYRE RECYCLED MATERIAL – RECLAIMED (IN MT)



## Continued focus on Fundamental research

Apollo believes that strong R&D is pivotal to its strategy of offering technologically advanced products to its customers and growing its market share. The research team continues to partner with OE manufacturers and other industry participants to address the evolving technological, regulatory and aesthetic requirements of Apollo’s customers. Apollo will continue to focus on developing products that reduce an adverse impact on the environment.

Apollo’s constant focus is on developing low rolling resistance of tyres with more wear life with respect to the evolving needs of the customer for fuel efficiency and value for money products. The Company’s Global foot print, particularly its presence in Europe, has given it a better understanding and domain knowledge on

subjects related OEM requirements. This helps Apollo adopt a more professional and systematic approach towards OEM development. Apollo’s Frankfurt center primarily focuses on OEM development and research by being close to the premium OEMs of Europe.

Apollo is the largest OEM supplier today (85% of OEMs are on Apollo) in India and it has garnered several premium vehicle launches on Apollo products. Toyota Cresta, Skoda Superb, Maruti Suzuki Breeza are some of the recent examples. This is testimony to Apollo’s efforts to developing green products supporting sustainability efforts of the automobile industry.

The R&D team is also oriented to do research to address volatility in prices and to ensure availability of natural rubber, Apollo Tyres’ primary raw material. It has also



been exploring the feasibility of usage of alternative materials as a substitute for natural rubber in tyres. Such substitutes include the use of recycled materials and partial replacement of natural rubber with synthetic rubber. Further, in response to legal requirements such as labelling regulations and mandatory use of green tyres in certain parts of the world, the R&D team also explores technologies such as low rolling resistance,

usage of non-petroleum based materials, nano-materials and use of environmental friendly chemicals and oils.

One major activity is to constantly evaluate use of new compounds for passenger car tyres and truck radial tyres. Apollo believes that its R&D efforts have improved the cost of production, product quality and production capacities which allows the company to introduce greener products across all product categories.

## Retread Research and Technology development

A major tyre usage aspect is maximising the tyre life. Tyre has multiple lives such as its first life which is decided by wearing of its tread and adding subsequent lives by re-treading. Apollo has an exclusive research wing for retread research which develops green and efficient retreading methods to extend productive life of tyres to reduce adverse impact on environment due to land filling of scrap tyres.



## People Development

Apollo's R&D labs in India are approved by the Ministry of Science, Department for Scientific and Industrial Research. As on March 31, 2017, Apollo had a total of 170 R&D personnel. In addition to R&D centers, Technology teams at all its manufacturing facilities ensure smooth industrialisation of the products developed.

Apollo considers its People as the most important resource in R&D and spares no effort in ensuring that they are abreast of the latest knowledge, with right skills and also motivated to support the Company's ambitions growth plans. Apollo believes it is equally important to support its people in realising their career aspirations as well as empowering them towards their contributions to organisational growth. Various HR activities are in place to ensure the above.

### Capability Building

As part of building the capability of the R&D team, various learning and development initiatives were rolled out from time to time. Some of the major initiatives were:

1. **Knowledge Now** – An initiative to share knowledge amongst R&D employees. Knowledge Now is conducted once a month where employees make a structured presentation about their learning to others.
2. **Meet the Maestro** – The primary objective of this programme is to invite eminent personalities to share their experiences and success stories. Apollo conducted four such sessions last year on the following topics:
  - ☺ Transformational Leadership
  - ☺ Go the distance with Passion
  - ☺ Breath@Work
3. **A-One Programme** – As part of equipping and strengthening the functional knowledge of its new employees, Apollo runs a six day integrated orientation programme focusing on the basics of tyre technology. This gives them an in-depth knowledge about the tyre manufacturing process.
4. **Training and Development Programmes** – Based on the training need analysis, various training programmes

are conducted for all levels of employees. Few prominent ones are:

- ④ APQP, PPAP training
- ④ Internal Auditor Training for ISO TS16949 Standards
- ④ DFSS, DFMEA training
- ④ Leadership development programmes for heads, senior scientists/specialists
- ④ Effective presentation skills for specialists
- ④ Time management, financial planning, interpersonal skills and business etiquette

## 5. Conferences and technical lectures

*Global R&D Conference – Lead the Future:* The 2nd Global R&D conference was held in November 2016. The focus was on showcasing Apollo's technology innovation to OEMs and to key stakeholders.

*Compounding and Material Convention:* A five-day comprehensive programme

*Technical Lectures* are conducted once every quarter on

- ④ Compounding and Material Development
- ④ Rubber Technology

*Let's Talk:* A programme to augment the linguistic, public speaking and presentation skills of Apollo's employees. The total duration of the programme is 30 hours. 25 employees were identified from amongst specialists, senior specialists category.

## Employee Engagement

As part of propagating the **Apollo One Family concept**, various engagement initiatives were rolled out in R&D Asia. Some of these were Indoor Games Corner, celebration of birthdays and happy moments of employees, quizzes and competitions, festival celebrations and specialty camps

**Young Managers Contest** – The R&D team won the first prize in the Regional Level Annual Young Managers contest organised by AIMA [All India Management Association] in 2016.

## Employee Wellness Programme

Employees' health and fitness is always a concern for any organisation. Today, work-life balance, work stress and improper food habits are worrisome matters resulting in health problems like obesity, hypertension and depression.

With the agenda of improving health and fitness of its employees, Apollo launched a wellness initiative 'WWW' that focuses on reduction of Weight, Waist and Weakness. This programme is designed around meditation, yoga, Art of Living and self defence techniques.



Apollo's wellness initiative  
'WWW' addresses the 3 Ws –  
Weight, Waist and Weakness



# Way Forward

Sustainability is deeply embedded in Apollo Tyres' corporate governance. The Company is constantly striving to improve its track record in this crucial area, and thus accrue long-term gains for its stakeholders. The Company's approach toward this end is scientific and goal-oriented. It has put in place modern hardware and systems that produce better analytics of measures implemented, and also provide vital directions for preparing future roadmaps. This, and other initiatives have provided an enabling environment for sustainability to thrive at Apollo Tyres.

The outcomes so far are not resting spots, but a clarion call for more vigorous and rigorous efforts to build upon.



*For any comments/suggestions or clarifications with respect to the report please contact:*

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