

## **ESG POLICY OF DC TRANSPORT**

**DC Transport has a clear understanding of ESG, i.e., E:** Environmental – How a company impacts and is impacted by the environment (e.g., energy usage, pollution, carbon footprint, waste management), **S:** Social – A company’s relationships with its stakeholders (e.g., employees, customers, communities, diversity, human rights) and **G:** Governance – Internal practices and policies that foster transparency, ethical behavior, and compliance (e.g., board structure, executive pay, corruption policies).

**Sustainability** is the core of DC Transport and follows the practice of meeting the needs of the present without compromising the ability of future generations to meet their needs. Our focus areas include: **Environmental Sustainability** (minimizing ecological footprint), **Social Sustainability** (community well-being) and **Economic Sustainability** (long-term economic health).

As **ESG** is often used as a metric to assess **Sustainability** performance. Both aim to promote long-term value creation by considering environmental, social, and governance factors. **Sustainability** goals are often achieved through the implementation of strong **ESG practices**.

**Key Components of our ESG Policy include as follows:**

### **Key Components of Social (E) in ESG**

**Climate Change:** Carbon emissions reduction, renewable energy adoption.

**Resource Management:** Efficient use of water, energy, and materials.

**Waste Management:** Minimizing waste, recycling, and circular economy models.

**Biodiversity:** Protecting natural ecosystems and reducing habitat destruction.

### **Key Components of Social (S) in ESG**

**Diversity and Inclusion:** Promoting gender, racial, and cultural diversity.

**Labor Practices:** Ensuring fair wages, safe working conditions, and employee welfare.

**Human Rights:** Protecting human rights in supply chains and operations.

**Community Engagement:** Giving back to local communities through philanthropy and partnerships.

### **Key Components of Governance (G) in ESG**

**Board Composition:** Diverse and independent boards with clear oversight.

**Transparency:** Reporting on ESG metrics and corporate governance policies.

**Ethical Leadership:** Anti-corruption measures, executive compensation alignment with sustainability goals.

**Shareholder Rights:** Ensuring that shareholder interests are well-protected.

**We do ESG Reporting of ESG data through frameworks GRI (Global Reporting Initiative).** This reporting helps track performance, ensure compliance, and provide transparency to investors and stakeholders. We have integrated ESG into financial analysis and business strategy. Our report provides investors with insights into our non-financial risks and opportunities. It allows them to make informed decisions based on how well DC Transport is managing its environmental, social, and governance impacts. Our ESG reporting strengthens the trust with our stakeholders, including customers, employees, communities, and shareholders and helps in mitigating Risks.

## 1. Environmental

### 1.1. Carbon Emissions Reduction

We are committed to reducing our carbon footprint by implementing measures across our fleet and operations:

- **Fleet Electrification:** Transition of a significant portion of our fleet to electric vehicles (EVs) or hybrids by 2028.
- **Carbon Offsetting:** Partner with carbon offset programs to neutralize unavoidable emissions.
- **Fuel Efficiency:** Optimize route planning to minimize fuel consumption, adopt fuel-efficient driving practices, and regularly maintain vehicles to ensure top performance.
- **Emission Tracking:** Implement a robust system to measure, monitor, and report on our carbon emissions and develop clear targets for reduction.
- **Route optimization**
- **Training drivers to save fuel.**
- **Adoption of Solar Energy.**

### 1.2. Waste and Resource Management

- **Eco-friendly Materials:** Transition to using sustainable and recyclable materials for vehicle maintenance and office operations.
- **Paperless Operations:** Adopt digital solutions to reduce paper usage in business processes, such as e-receipts and online billing systems.
- **Waste Reduction:** Implement proper disposal, recycling, and waste management protocols for vehicle parts and office supplies.

### 1.3. Sustainable Sourcing

We prioritize the selection of environmentally responsible suppliers and partners:

- **Green Partners:** Partner with suppliers that meet sustainable standards, especially for vehicle parts, fuels, and maintenance services.
- **Energy Efficiency:** Collaborate with renewable energy providers where possible to power our charging infrastructure for electric vehicles.

## 1.4 Biodiversity and Tree Plantation

- We have plantation drives with local NGOs.
- To protect biodiversity, we ensure our operations are clean.

## 2. Social

### 2.1. Driver/Customer Well-being

We value the well-being of our employees and drivers, ensuring a safe and supportive work environment:

- **Health and Safety:** Provide regular training on road safety, emergency response, and vehicle handling. Ensure that all vehicles meet safety standards.
- **Fair Compensation:** Ensure that all employees and drivers receive fair wages and benefits. Regularly review pay structures to align with living wage standards.
- **Driver Welfare:** Offer wellness programs, mental health support, and other benefits aimed at improving the physical and mental well-being of drivers.

### 2.2. Diversity and Inclusion

We foster an inclusive work culture that values diversity and provides equal opportunities:

- **Equal Opportunities:** Implement a zero-tolerance policy against discrimination based on gender, race, ethnicity, religion, sexual orientation, or disability.
- **Gender Balance:** Promote diversity within our workforce, particularly in traditionally underrepresented areas, LGBTQ, women and minorities to join our workforce.

### 2.3. Community Engagement

- **Local Hiring:** Prioritize hiring from local communities to support economic development in the regions we operate.
- **Partnerships with NGOs:** Collaborate with local NGOs to support causes such as road safety education, clean energy, and community welfare.
- **Accessibility:** Ensure that our services are accessible to differently-abled individuals and offer discounted rates to vulnerable sections of society, such as students and the elderly.

## 3. Governance and Ethical Conduct

### 3.1. Corporate Governance

We uphold the highest standards of governance to ensure transparency and accountability in all our business dealings:

- **Board Oversight:** Our Board of Directors will have oversight of ESG matters, with a dedicated ESG Committee responsible for monitoring progress and ensuring compliance.
- **Grievance Mechanism:** For any kind of impact on the economy, environment, and human beings, the grievance mechanism is there.
- **Transparency:** Maintain open and transparent communication with stakeholders through regular ESG performance reports and disclosures, following industry best practices.

### 3.2. Ethical Business Practices

- **Anti-corruption:** Uphold a zero-tolerance policy for bribery and corruption. Implement regular audits and training programs to prevent any unethical practices.
- **Data Privacy:** Ensure the confidentiality and security of customer data through strict data protection protocols and compliance with relevant regulations (e.g., GDPR).
- **Whistleblower Protection:** Provide a safe and confidential channel for employees to report unethical behavior without fear of retaliation.

### 3.3. Compliance with Laws and Regulations

We are committed to complying with all local, national, and international laws related to our operations, including labor laws, environmental regulations, and transportation standards. We regularly review our policies to ensure alignment with evolving regulatory requirements.

### 4. Continuous Improvement

We recognize that sustainability is an ongoing journey. We will regularly review and update our ESG policies and practices to adapt to new challenges and opportunities. We commit to engaging with our stakeholders—including customers, employees, investors, and regulators—to ensure our ESG initiatives are aligned with their expectations.

### 5. Reporting and Accountability

We will measure, report, and publicly disclose our ESG performance on an annual basis, tracking progress against established goals and targets. We commit to third-party verification of our ESG data to ensure the accuracy and credibility of our reporting.

### Conclusion

At DC Transport, we are dedicated to making a positive impact on the environment, our society, and our governance practices. This ESG policy reflects our commitment to sustainable growth, mitigation of any kind of impacts on human beings, ethical conduct, and social responsibility.