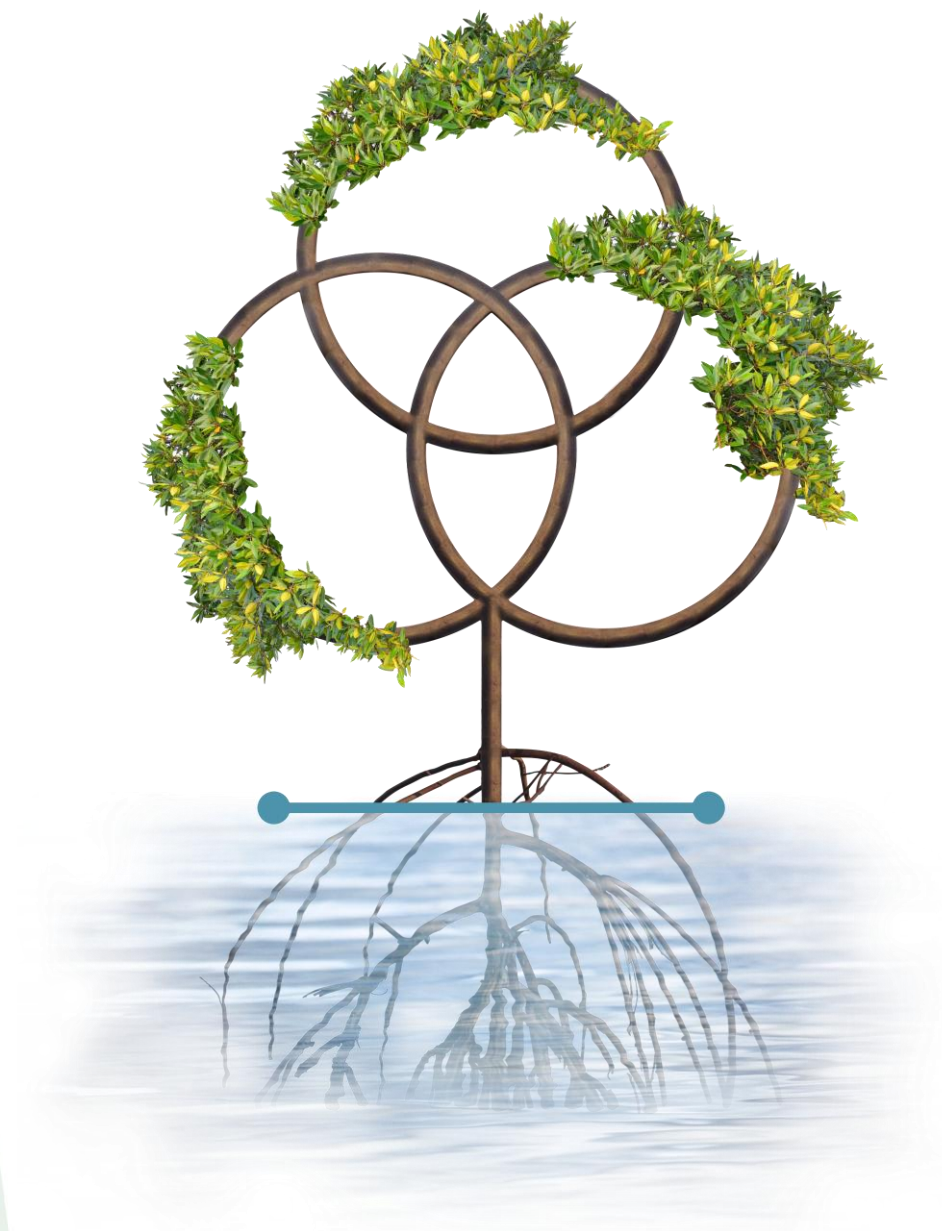


Building **Biodiversity** Stewardship Across the Supply Chain

27 July 2026



What we'll cover



Introduction to biodiversity



Why it matters to business



Regulations & customer expectations



Impacts across the supply chain



Motherson's biodiversity journey



Business Benefits



Supplier expectations



Q&A

Introduction to biodiversity

Biodiversity is all the living things on our planet – from the smallest bacteria to the largest plants and animals. So far, we have identified around 1.6 million species but that is probably only a small fraction of the forms of life on Earth (The Royal Society, 2024).



Ecosystem diversity

Forests, wetlands, oceans, and grasslands, and how they function together



Species diversity

The range of plants, animals, fungi, and microbes sharing a habitat



Genetic diversity

Variation within species that builds resilience to disease and change

Why it matters: healthy, biodiverse ecosystems regulate climate, purify water and air, build fertile soil, and support the pollination and food systems that human well-being — and every industry — depend on.

Types of Biodiversity



Genetic



Species



Ecological

Why biodiversity matters to business



Manufacturing and automotive supply chains depend on nature in ways that are easy to overlook



Raw materials

Natural rubber, minerals, and bio-based inputs all originate in ecosystems that must stay productive



Water regulation & quality

Wetlands and forests filter and regulate the water used in production processes



Climate regulation & carbon

Forests and oceans sequester carbon and stabilize the climate our operations rely on



Soil health

Fertile soil supports agriculture-linked inputs and prevents erosion near facilities and mines



Pollination

Over a third of global crops depend on pollinators, linking food systems to broader supply networks



Disaster resilience & continuity

Healthy ecosystems buffer floods and storms that can disrupt plants and logistics routes

Direct and commercial risk resulting from biodiversity loss and a reduced functionality of ecosystem.

Operational Risk

Example:
Price increase for natural resources as a result of shortages

Risk Of Reputation Loss

Example:
Damage to businesses due to the negative Effects of economic activities on biodiversity

Market Related Risk

Example:
Changes in buying behaviour (end consumer,B2B) with stronger emphasis to biodiversity.

Regulation & Law Related Risk

Example:
Restricted access to species-rich (conservation) areas e.g. – prohibition of mining in conservation areas

Liability Risk

Example:
Lawsuits to businesses causing loss to biodiversity.

Financial Market Risk

Example:
Biodiversity as an assessment criterion in sustainability ratings.

Business continuity & supply chain resilience



Real disruptions show why nature-related risk is a business continuity issue



2011 Thailand floods

Prolonged flooding of industrial estates disrupted global automotive parts production for months, illustrating how ecosystem degradation and land-use change amplify flood risk



Natural rubber price volatility

Deforestation-linked supply constraints and disease outbreaks in monoculture plantations have driven sharp swings in natural rubber prices used in tyres, seals, and hoses



Mining-region water stress

Copper and bauxite mining regions facing water stress have seen operational slowdowns, affecting the metals used in wiring harnesses and structural components

The takeaway: biodiversity loss is a risk multiplier for the same disruptions our industry already plans around — floods, droughts, and material shortages.

Regulations & customer expectations in focus



EUDR

EU Deforestation Regulation — due diligence proving commodities like rubber are deforestation-free



TNFD

Taskforce on Nature-related Financial Disclosures — a corporate nature-risk reporting framework



CSRD / ESRS E4

EU sustainability reporting now requires disclosure on biodiversity and ecosystems



Global Biodiversity Framework

The Kunming-Montreal agreement driving national policy and corporate target-setting



EcoVadis

Sustainability ratings increasingly weight biodiversity and environmental management



OEM questionnaires

Automotive customers add biodiversity and nature questions to supplier assessments



S&P Global Ratings

Biodiversity is now included as a criterion in S&P's annual corporate sustainability assessment



CDP

CDP has added biodiversity to its global environmental disclosure platform alongside climate and water

Certifications & standards at a glance

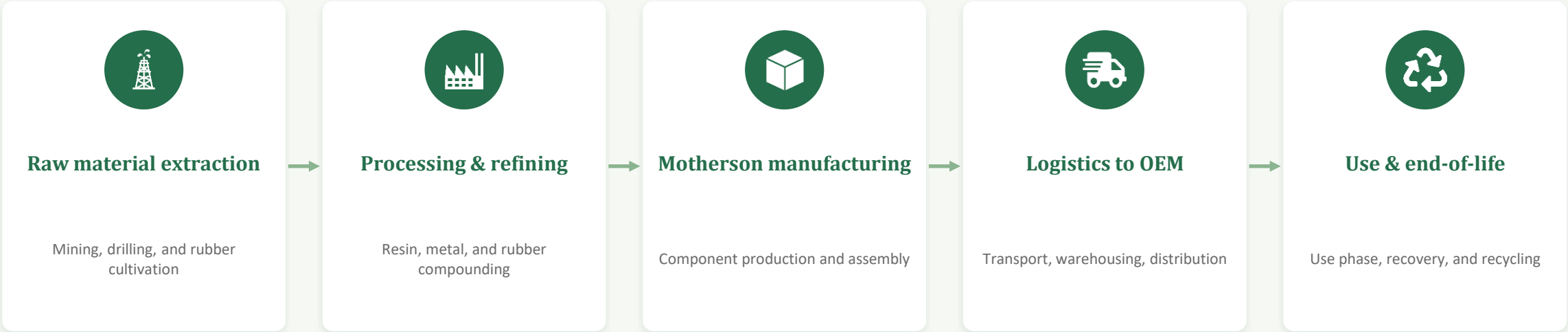


Use this as a quick reference when evaluating your own sourcing and management systems

Material / scope	Key standard(s)	What it verifies
Plastic resin	ISCC PLUS	Sustainable & recycled feedstock content
Aluminium	ASI (Aluminium Stewardship Initiative)	Responsible bauxite mining through production
Copper	Copper Mark, RMI	Responsible, traceable mining and processing
Natural rubber	GPSNR, FSC, PEFC	Deforestation-free, traceable rubber and wood-fibre sourcing
Mining & minerals	IRMA, RMI	Responsible mining practices and conflict-free sourcing
Environmental mgmt.	ISO 14001	Systematic environmental management at the site level



Biodiversity impacts & dependencies across the supply chain



Impacts to manage at every stage:



Material-specific risks:



Each material Motherson sources carries distinct biodiversity risk in its upstream supply chain



Plastic resin

Petrochemical feedstocks

Oil and gas extraction carries oil-spill and habitat-disturbance risk in sensitive ecosystems, plus downstream waste and emissions



Copper

Mining & processing

Mining can drive habitat loss, water withdrawal, and pollution near biodiverse regions, along with land-use change



Aluminium

Bauxite mining & smelting

Bauxite mining is linked to deforestation and soil and water impacts in tropical source regions, plus energy-intensive processing



Rubber

Natural rubber cultivation

Plantation expansion is a leading driver of tropical deforestation and habitat fragmentation in Southeast Asia and West Africa

Indirect impacts across the supply chain

Biodiversity risk isn't limited to raw materials — it extends to how we move, power, and build



Transportation & logistics

Shipping and freight routes can disturb marine and coastal habitats; emissions contribute to climate-linked biodiversity pressure



Energy generation

Fossil-fuel power for plants and processing carries land-use and emissions impacts on surrounding ecosystems



Packaging materials

Single-use packaging drives demand for virgin materials and contributes to waste in sensitive environments



Infrastructure development

New roads, ports, and facilities can fragment habitats and open access to previously undisturbed areas

Examples:

- What is the environmental cost of Natural Capital?
 - Pollution
 - Biodiversity



Despite the park director's efforts to get the train company to slow trains, there are regular wildlife–train collisions in Lopé National Park, including up to 20 incidents with elephants a year. Trains transport manganese from the Moanda mine, which holds 25% of known reserves. Manganese is a metal used in iron and steel production.

How our operations affect biodiversity



Everyday choices at a manufacturing site ripple out into nearby ecosystems in specific, documented ways



Waste & plastic pollution

Packaging waste and microplastics that escape site boundaries can be ingested by seabirds and entangle marine life once they reach waterways



Light pollution

Unshielded facility and warehouse lighting disorients night-flying insects and moths, and can disrupt the migration patterns of nocturnal birds



Noise pollution

Continuous machinery and material-handling noise can mask animal calls, disrupting breeding, feeding, and predator-avoidance behavior nearby



Air emissions

Airborne emissions can drift beyond the site fence line, damaging sensitive lichens, mosses, and forest ecosystems downwind



Wastewater discharge

Inadequately treated effluent raises nutrient loads in rivers and lakes, triggering algal blooms that starve fish and amphibians of oxygen



Chemical spills & storage

Accidental spills or leaks of solvents, oils, and cleaning agents can contaminate soil and groundwater, harming plants and burrowing wildlife nearby

How transportation & logistics affect biodiversity



Moving materials and finished products carries its own, distinct set of ecological impacts



Roads & rail corridors

New or widened roads and rail lines fragment habitats and migration routes, isolating wildlife populations and increasing vehicle collisions



Shipping & port operations

Vessel noise can interfere with whale and dolphin communication, ballast water can introduce invasive species, and port expansion often removes coastal habitat



Air freight

Airport and air-cargo growth drives land-use change near airfields and adds to the emissions pressure that is shifting species ranges worldwide



Warehousing & distribution centers

Large paved, impervious footprints reduce natural land cover, raise local temperatures, and speed stormwater runoff into nearby streams

The pattern to remember: biodiversity impact isn't confined to the factory gate — it extends along every leg of the journey from raw material to finished vehicle.

Mother'son's Biodiversity Ambitions

1



Protecting Biodiversity Across Our Sites

We conduct ongoing biodiversity assessments across all sites, including new proposed sites and acquisitions.

This ensures that every location, whether existing or newly acquired, is evaluated for its impact on local ecosystems and aligned with our sustainability goals.

2



Expanding Biodiversity Awareness

It is important that the interconnected nature of biodiversity awareness permeates throughout the full value chain.

We aim to progressively expand biodiversity reporting awareness through to 2030, which is pivotal to understanding the full implications through the value chain.

Motherson's Biodiversity Ambitions

3



Promoting Biodiversity CSR activities

Motherson promotes biodiversity globally through citizenship activities, focusing on high-threat and high-restoration areas identified in our annual biodiversity assessments.

We work closely with local communities and encourage employee engagement to protect and restore vital ecosystems, ensuring sustainable environmental stewardship worldwide.

4



Establishing a Net Positive environment

We are exploring opportunities at all locations to achieve a biodiversity net positive impact. Through site evaluations and prioritizing higher risk locations, we determine feasibility for site enhancement or improvements to off-site locations to create a net positive biodiversity impact.

IUCN Red List of Threatened Species



IBAT is a web-based map and reporting tool that provides access to three of the world's most authoritative global biodiversity datasets:

- Health indicator
- Informs conservation efforts with species-specific data

Protected Areas



Protected areas are conservation tools with legal recognition.

Key Biodiversity Areas

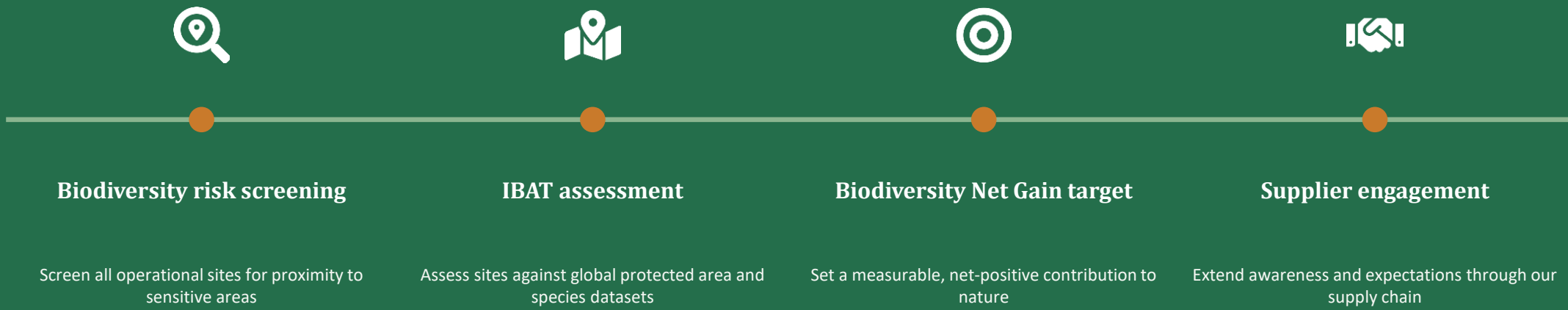


KBAs are founded on science

Motherson's Biodiversity journey



From risk screening to measurable, nature-positive action across our global site network



323

sites assessed via IBAT

100%

of FY2026 operational sites covered

Source: Motherson Biodiversity Assessment, FY2026 IBAT program results

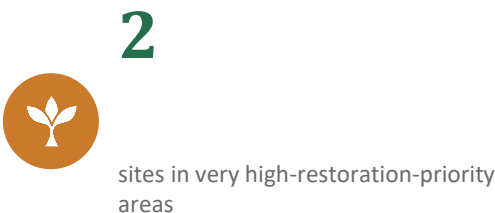
Extending assessment to our supply chain



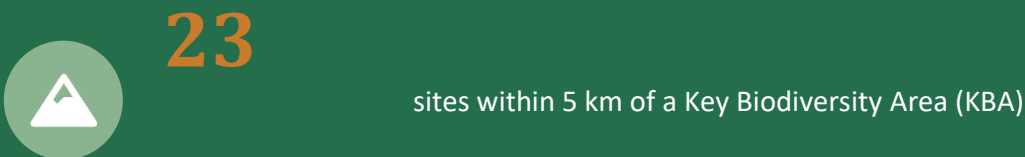
Motherson has started assessing its supply chain using the same IBAT methodology applied to our own operations

94 suppliers assessed — the first wave of Supply Chain IBAT screening

Threat & restoration priority



Proximity to sensitive areas



Source: Motherson Supply Chain IBAT Assessment, 2026 — first-wave supplier screening, 5 km radius methodology

Motherson's Biodiversity initiatives



Turning assessment into on-the-ground action and nature-related risk management



Biodiversity Net Gain

A structured approach to leave nature measurably better off than before, guiding site design and expansion decisions



Nature-related risk management

Integrating biodiversity risk into enterprise risk processes and M&A due diligence



Pollinator & habitat restoration

Rescuing bee hives, planting native and pollinator-friendly species across sites



Bird-safe facility design

Addressing glass-collision risk in new-build factories to protect local bird populations



Sustainable pest control

Reducing chemical use and light pollution that harms local insect populations



Supplier & employee engagement

Training environmental champions and extending expectations to our supply base

Window treatment

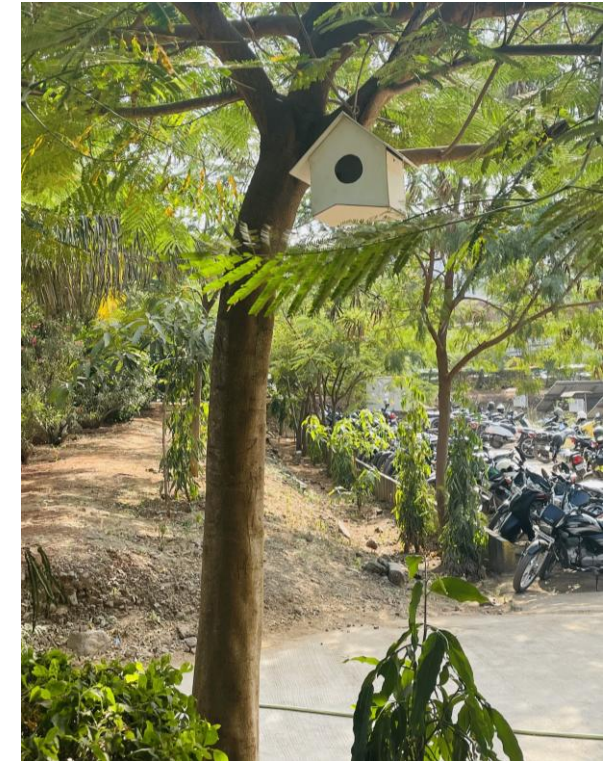
- **Window Decals:** Apply decals, stickers, or tape in patterns on windows to make the glass visible to birds.
- **External Screens:** Install external screens or netting on windows to create a physical barrier.
- **UV-Reflective Glass:** Use glass that reflects ultraviolet light, which birds can see but humans cannot.



- In Germany, it is estimated that 100 to 115 million birds collide with glass every year. This corresponds 5-10% of the birds currently found in Germany.

Feeder and Habitat Placement

- **Position Feeders Correctly:** Place bird feeders either very close (within 3 feet) or far away (more than 30 feet) from windows to reduce collision risk.
- **Create Safe Habitats:** Design outdoor spaces with safe zones for birds, away from reflective surfaces.
- **Bee Hotels:** Set up bee hotels or nesting boxes for solitary bees.
- **Bare Ground Patches:** Leave some areas of bare ground for ground-nesting bees.



Water Sources

- **Shallow Water Features:** Provide shallow water sources with stones or floating materials for pollinators to land on while drinking.



Sustainable Landscaping

- **Green Office Spaces:** Create green spaces within company premises, such as rooftop gardens or green walls, to support local biodiversity.
- **Green Roofs and Walls:** Install green roofs and living walls to provide habitats for birds, insects, and plants. These also help with insulation and reduce stormwater runoff.
- **Native Plant Landscaping:** Use native plants in landscaping to reduce water usage and support local wildlife.



Awareness and Education

- **Internal Training Programs:** Educate employees about the importance of biodiversity and how they can contribute to conservation efforts.
- **Public Awareness Campaigns:** Launch campaigns to raise awareness about biodiversity issues and encourage community participation.



Practical actions suppliers can take



A comprehensive set of actions to reduce your biodiversity footprint



Increase recycled plastic content



Increase recycled aluminium & copper



Source sustainable, responsible rubber



Adopt deforestation-free sourcing



Improve traceability systems



Run water stewardship programs



Protect & restore habitats



Reduce pollution & waste



Adopt sustainable logistics



Conduct supplier biodiversity risk assessments

Business benefits for suppliers



Acting early on biodiversity is a commercial advantage, not just a compliance cost



Meet customer expectations

Stay ahead of OEM sustainability questionnaires and sourcing requirements



Improve your EcoVadis score

Strengthen ratings that increasingly factor into sourcing decisions



Reduce supply chain risk

Lower exposure to material shortages, price volatility, and disruption



Build greater resilience

Better withstand climate and resource-related shocks



Enhance reputation

Strengthen your standing with customers, investors, and communities



Gain competitive advantage

Position your business favorably in future sourcing decisions

Supplier governance



Leading companies are increasingly embedding biodiversity into supplier requirements, sourcing decisions, and due diligence processes.

Biodiversity policy

Formal commitment to protect biodiversity and manage impacts

No-deforestation commitment

Source materials without deforestation or ecosystem conversion

Responsible sourcing

Assess biodiversity risks in materials and services

Supplier Code of Conduct

Include ecosystem protection and land-use expectations

Traceability systems

Improve visibility into upstream sourcing

Due diligence processes

Identify, assess and mitigate supply chain risks

Why this matters

- OEMs increasingly request responsible sourcing evidence
- Supports EcoVadis and customer assessments
- Helps prepare for EUDR and future regulations
- Demonstrates proactive risk management

Call to action



Four steps to build biodiversity into your sourcing and operations







The responsibility lies with us all.

Useful links

[Motherson Group Supplier Portal](#)

[Motherson Group Sustainability Portal](#)

[Motherson Group Sustainability Report FY 2025-26](#)



Thank you.

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