

# Business Responsibility and Sustainability Report

## Section A:

### General Disclosures

Covers our corporate identity, governance and operational structure, focusing on transparent and responsible business practices.



Read more on **Page 111**

## Section B:

### Management and Process Disclosures

Outlines our stakeholder engagement, grievance mechanisms and processes supporting our commitment to ESG principles.



Read more on **Page 123**

## Section C:

### Principle Wise Performance Disclosure

Provides in-depth coverage of our environmental, social and governance (ESG) performance metrics.

#### Principle 1

**128**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

#### Principle 4

**148**

Businesses should respect the interests of and be responsive to all its stakeholders

#### Principle 7

**166**

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

#### Principle 2

**134**

Businesses should provide goods and services in a manner that is sustainable and safe

#### Principle 5

**151**

Businesses should respect and promote human rights

#### Principle 8

**168**

Businesses should promote inclusive growth and equitable development

#### Principle 3

**138**

Businesses should respect and promote the well-being of all employees, including those in their value chains

#### Principle 6

**157**

Businesses should respect and make efforts to protect and restore the environment

#### Principle 9

**172**

Businesses should engage with and provide value to their consumers in a responsible manner

## Section A: General Disclosures

### 1. Details of the listed entity

#### 1. Corporate Identity Number (CIN) of the Listed Entity

L29130PN1962PLC204515

#### 2. Name of the Listed Entity

Schaeffler India Limited

#### 3. Year of incorporation

April 27, 1962

#### 4. Registered office address

15<sup>th</sup> Floor, ASTP (Amar Sadanand Tech Park), Baner, Pune, Maharashtra, India, 411045

#### 5. Corporate address

15<sup>th</sup> Floor, ASTP (Amar Sadanand Tech Park), Baner, Pune, Maharashtra, India, 411045

#### 6. E-mail

[info.in@schaeffler.com](mailto:info.in@schaeffler.com)

**Bearings & Industrial Solutions**

[aftermarket@schaeffler.com](mailto:aftermarket@schaeffler.com)

**Automotive Technologies & Vehicle Lifetime Solutions**

[deshmukh@schaeffler.com](mailto:deshmukh@schaeffler.com)

**Media**

[investorsupport.in@schaeffler.com](mailto:investorsupport.in@schaeffler.com)

[kanikar@schaeffler.com](mailto:kanikar@schaeffler.com)

**Institutional & Individual Investors**

#### 7. Telephone

+91-20-68198400

#### 8. Website

[www.schaeffler.co.in](http://www.schaeffler.co.in)

#### 9. Financial year for which reporting is being done

1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024

#### 10. Name of the Stock Exchange(s) where shares are listed

1. BSE Limited

2. National Stock Exchange of India Limited (NSE)

#### 11. Paid-up Capital

As on December 31, 2024 the paid-up capital of the Company stood at ₹ 312,607,340 consisting of 156,303,670 numbers of Equity Shares of ₹ 2/- each.

#### 12. Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report

**Name:** Neelam Darekar - Sustainability Reporting

**Telephone:** +91-2068198400

**E-mail:** [Neelam.darekar@schaeffler.com](mailto:Neelam.darekar@schaeffler.com)

#### 13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).

The disclosures under this report made on a standalone basis (i.e. only for Schaeffler India Limited)

Reporting boundary includes four plants viz Maneja, Savli, Hosur & Talegaon, one under construction plant at Shoolagiri, Tamil Nadu & one corporate office at Pune & seven regional/sales offices. Cost incurred for Shoolagiri plant included in the scope while calculating financial KPIs & for Non-financial parameters Shoolagiri plant has been excluded.

To ensure consistency and comparability of data between the current year and previous year, restatements are made in the comparative year. The relevant changes are highlighted as footnotes in the respective principles. The resulting changes are due to a change in the computation approach or methodology.

#### 14. Name of assurance provider

BSI Group India Pvt. Ltd.

#### 15. Type of assurance obtained

Reasonable assurance for BRSR core parameters.

## Business Responsibility and Sustainability Report

## II. Products/services

### 16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Automotive Technologies	The Automotive Technologies division develops and manufactures innovative products, components and systems solutions for engine, transmission, and chassis applications for ICE (Internal combustion engine), hybrid as well as electric powertrains.	34%
2.	Bearing & Industrial Solutions	The Bearings & Industrial Solutions division offers a wide range of products that include ball and roller bearings, plain bearings, bearing housings and accessories, linear bearings and ultra precision drives. It also offers lubrication products that includes grease and oils, maintenance products which include a wide range of mounting and dismounting tools, condition monitoring systems to customers across various industrial sectors. These products are distributed through direct sales channels as well as through widespread network of certified distribution partners.	44%
3.	Vehicle Lifetime Solutions	The Vehicle Lifetime solutions business supplies components and holistic repair solutions for the automobile spare parts business under the leading brands of LuK, INA and FAG. It offers comprehensive services to garages under the REPEXPERT brand to cater to the ever-changing customer needs.	9%
4.	Intercompany Exports and Others	Intercompany Exports and others mainly includes exports to Group companies (across regions of America, Aisa pacific, China & Europe), scrap sales & other operating income.	13%

### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contribute
1.	Bearings, Engine and transmission products & solutions	28140	100%

#### Bearing & engine transmission product is common among all the below segments

Sl. No.	Segment	Turnover (₹ Millions)	% of total Turnover contribute
1.	Mobility components and related solutions	61,383.5	76%
2.	Others	19,379.4	24%
	<b>Total</b>	<b>80,762.9</b>	<b>100%</b>

## Business Responsibility and Sustainability Report

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	8	12
International	-	-	-

#### 19. Markets served by the entity:

##### a) Number of locations

Locations	Number
National (No. of States)	26 States & 3 Union Territories
International (No. of Countries)	21

##### b) What is the contribution of exports as a percentage of the total turnover of the entity?

Particulars	Revenue (₹ Millions)	% of total Turnover contribute
Exports & Others	10,795.9	13%
<b>Total revenue</b>	<b>80,762.9</b>	<b>100%</b>

Note: Refer Q16 (4) for export details

##### c) A brief on types of customers

Schaeffler India Limited has customers in domestic as well as international markets which are broadly classified in 3 divisions.

1. Our Automotive Technologies division serves customers in the passenger vehicle, commercial vehicle, tractor, and off-highway segments. We cater to key OEMs in the automotive industry.
2. Our Bearing & Industrial Solutions (B&IS) division serves customers in sectors such as railways, wind power, raw materials, power transmission, and two-wheelers. We provide solutions directly to large OEMs (Original Equipment Manufacturers) in these industries and maintain a nationwide distribution network
3. Our Vehicle lifetime solutions (VLS) division serves a diverse set of customers within the automotive sector like OES(OE spares), independent aftermarket customers, fleet operators and dealerships, focusing on parts and comprehensive solutions that support vehicle longevity and reliability

## Business Responsibility and Sustainability Report

### IV.

#### 20. Details as at the end of Financial Year: FY 2024

##### a) Employees and workers (including differently abled):<sup>1</sup>

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	<b>Employees</b>					
1.	Permanent (D)	1,652	1,549	94%	103	6%
2.	Other than Permanent (E)	150	121	81%	29	19%
3.	<b>Total employees (D + E)</b>	<b>1,802</b>	<b>1,670</b>	<b>93%</b>	<b>132</b>	<b>7%</b>
	<b>WORKERS</b>					
4.	Permanent (F)	1,270	1,245	98%	25	2%
5.	Other than Permanent (G)	2,435	2,272	93%	163	7%
6.	<b>Total workers (F + G)</b>	<b>3,705</b>	<b>3,517</b>	<b>95%</b>	<b>188</b>	<b>5%</b>

##### b) Differently abled Employees and workers:

Sl. No.		Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	<b>Differently Abled Employees</b>					
1.	Permanent (D)	2	2	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total employees (D + E)</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
	<b>Differently Abled Worker</b>					
4.	Permanent (F)	1	1	100%	0	0%
5.	Other than Permanent (G)	5	5	100%	0	0%
6.	<b>Total workers (F + G)</b>	<b>6</b>	<b>6</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

Business Responsibility and Sustainability Report

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22%
Key Management Personnel	3	1	33%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024			FY 2023 (Turnover rate in previous FY)			FY 2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.8%	2.2%	10.7%	6.5%	1.0%	4.2%	7.5%	0.9%	4.7%
Permanent Workers	2.7%	0.3%	2.0%	4.1%	0.0%	2.3%	4.1%	0.0%	2.3%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	INA Holding Schaeffler GmbH & Co. KG, Germany	Ultimate Holding Company	Nil	No
2.	KRSV Innovative Auto Solutions Private Limited	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes

(ii) Turnover (in ₹)

₹80,762.9 mn as on December 31, 2024

(iii) Net worth (in ₹)

₹53,833.0 mn as on December 31, 2024

## Business Responsibility and Sustainability Report

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, our grievance redressal mechanisms include <ul style="list-style-type: none"> <li>open registers available at all our plant locations,</li> <li>channels through implementing agencies and NGOs,</li> <li>the option to send physical letters, and</li> <li>contact numbers listed on our website.</li> </ul> <a href="https://www.schaeffler.co.in/en/meta/contact/">https://www.schaeffler.co.in/en/meta/contact/</a>	Nil	Nil		Nil	Nil	
Investors (other than shareholders)	Yes shareholding pattern of Schaeffler India Limited, consist of Holding Company & Shareholders only. <a href="https://www.schaeffler.co.in/en/meta/contact/">https://www.schaeffler.co.in/en/meta/contact/</a>	Nil	Nil		Nil	Nil	
Shareholders	The Shareholders can file complaint on SEBI SCORES. The Shareholders can reach out to the Secretarial team at <a href="mailto:investorsupport.in@schaeffler.com">investorsupport.in@schaeffler.com</a> for any grievances/queries. There is a Shareholders' Handbook for the guidance and redressal of investor grievances and to educate the Shareholders about their rights as Shareholders, standard procedures, and documentation requirements for certain matters. The Shareholders handbook is available on the Company website at <a href="https://www.schaeffler.co.in/en/investor-relations/disclosures/other-disclosures/">https://www.schaeffler.co.in/en/investor-relations/disclosures/other-disclosures/</a>	1	Nil	These include complaints received through SEBI SCORES and stock exchanges	26	Nil	These include complaints received through SEBI SCORES and stock exchanges
Employees and workers	Yes Under vigil mechanism employee can file complaint through <a href="mailto:weo.india@schaeffler.com">weo.india@schaeffler.com</a> For POSH related complaints, <a href="mailto:posh@schaeffler.com">posh@schaeffler.com</a> Compliance, Human rights queries: <a href="mailto:complianceindia@schaeffler.com">complianceindia@schaeffler.com</a> . Employees can file any complaint anonymously <a href="https://www.bkms-system.net/schaeffler">https://www.bkms-system.net/schaeffler</a> Grievance redressal Policy has formal Grievance redressal procedure, scope & Objective. (Policy doc available on Schaeffler Intranet)	138	Nil	Including one POSH complaint	111	12	Investigation is in progress

## Business Responsibility and Sustainability Report

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	<p>Yes</p> <p>Customers can file complaints on e-mail ids displayed on website.</p> <ul style="list-style-type: none"> <li>Key OEM customers have their portals for communicating the concerns.</li> <li>SPOCs (Special point of contacts) have been defined for each customer.</li> <li>A dedicated customer care number is pasted on our packaging (MRP stickers) for all products.</li> <li>In parallel we also have internal system of tracking these concerns through SAP based IQOS.</li> </ul> <p><a href="mailto:info.in@schaeffler.com">info.in@schaeffler.com</a>  <a href="mailto:aftermarket@schaeffler.com">aftermarket@schaeffler.com</a>  <a href="https://www.schaeffler.co.in/en/meta/contact/">https://www.schaeffler.co.in/en/meta/contact/</a></p>	46 <sup>1</sup>	Nil <sup>2</sup>	<p><sup>1</sup> - Considered all justified zero km(AF) complaints for the year</p> <p><sup>2</sup>- Number of complaints not closed more than 6 months (AF justified) rounded to nearest digit</p>	78	Nil	
Value Chain Partners	<p>Yes</p> <p>Vigil Mechanism and Whistle-Blower policies are available on the website, which covers value chain partners as well.</p> <p><a href="mailto:weo.india@schaeffler.com">weo.india@schaeffler.com</a>  Each supplier is bound by the SCoC (Supplier code of conduct) which includes contacts details in case of grievance:  <a href="mailto:investigations@schaeffler.com">investigations@schaeffler.com</a>  <a href="https://www.bkms-system.net/schaeffler">https://www.bkms-system.net/schaeffler</a></p>	Nil	Nil		Nil	Nil	
Other (please specify)	<p>Yes,</p> <p>Compliance Management System of the Schaeffler Group and Company's Vigil Mechanism/Whistle-Blower mechanism are effective tools towards grievance redressals for both external stakeholders &amp; employees. The policies are available on the Company's website.</p> <p><a href="mailto:weo.india@schaeffler.com">weo.india@schaeffler.com</a>  <a href="https://www.schaeffler.co.in/en/meta/contact/">https://www.schaeffler.co.in/en/meta/contact/</a></p>	13	Nil		8	Nil	

Note: Employees and workers complaints include health & working conditions, POSH related complaints. In year 2024 we have taken concrete steps to keep record of such complaints.



## Business Responsibility and Sustainability Report

### 26. Overview of the entity's material responsible business conduct issues

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Water Management	Risk	Water is a primary resource required for Schaeffler India's operations across all the 4 plants. Potential disruptions to water-related operations have been captured by the plants during the Risk Assessment exercises. Disruptions have been anticipated any time during the coming 10 years. In 2024, both the Schaeffler India plants in Baroda were affected by local floods, disrupting the operations.	Freshwater requirement has been reduced (water intensity) at Schaeffler India's operations due to water management projects like recycling of treated water, RWH etc. Ongoing measures will reduce negative impact to the water resource and the availability of water for communities in the vicinity of the Company's operations.	Negative
2.	Diversity & Inclusion	Risk	Firstly, there is an increasing customer expectations that Schaeffler India demonstrates diversity in its workforce. However, the unavailability of skilled women, the challenging operational environment, 24/7 operations etc. makes it difficult to meet the expectations.  Schaeffler India has targets for D&I and is finding it challenging to meet them due to paucity of human resources on the supply side.	Schaeffler India has complied and achieved the target set by Schaeffler AG for diversity and inclusion, across the leadership band during 2023. This has been done ahead of schedule. In addition, all the employee levels have been assigned a D&I target of 8% by 2025 and Schaeffler India intends to work with the skilling institutes and human resource consultancies to bridge the skills gap.	Negative
3.	Safety & working conditions	Risk	The Company's nature of operations has a significant involvement of human resources on the production floor. This means that any mishap could impact a wide segment of Schaeffler India's workforce. Injuries or accidents cause significant financial/non-financial losses to the respective individual, which are not easily reversible.  The chances of safety incidents causing business operational impact is low considering that the work environment does not have exposure to hazardous substances.	Schaeffler India has established strong controls (both reactive and proactive) to address safety of its workforce, thereby keeping the likelihood of such incidents under control. Additionally, Schaeffler India has a mechanism to conduct a thorough investigation and RCA for any incident, leading to stronger corrective and preventive actions. This further helps in avoiding any such instances in future.	Negative
4.	Biodiversity	Risk	Schaeffler India's operations happen out of facilities that are part of Industrial Parks/Zones, and there are existing clearances from the owning entity to confirm that any Environmental Impact has been assessed before leasing out the premises. The intensity of the risk would be moderate considering that Schaeffler India does not have a direct control on the operations that could cause harm to biodiversity.	Schaeffler India is assessing the baseline on biodiversity impact to draw out any action plans to address the biodiversity impact due to its operations, however minimal it may be. Further, Schaeffler India also gathers inputs from its value chain partners regarding the impact of their operations on biodiversity.	Negative
5.	Energy management	Opportunity	With the experience that Schaeffler India has had till now, the Company foresees significant opportunity in energy efficiency initiatives. It has already achieved its target of 100% renewable operations during 2024.	NA	Positive

## Business Responsibility and Sustainability Report

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Emissions Management	Risk	The Company foresees potential risk due to unmet stakeholder expectations on emissions management. Risks also arise due to potential disruptions to supply chain operations, attributable to climate change events. Further, Schaeffler India is dependent on its suppliers (primarily steel), being able to develop greener alternatives through R&D so that the embedded carbon footprint of its own products can be controlled.	Schaeffler India has clear agenda of lowering <ol style="list-style-type: none"> <li>GHG emissions in own production (Scope 1 and 2 emissions) and</li> <li>In the supply chain (Scope 3 emissions)</li> <li>Net Zero CO<sub>2</sub> emissions by 2040.</li> </ol> The Company is also constantly looking out for potential sustainable alternatives from its suppliers to avoid emissions at source.	Negative
7.	Human Capital Development	Opportunity	Schaeffler India certainly foresees its approach to human talent development helping it build new skills, that further helps the Company explore market opportunities in the medium to long-term, that were otherwise unexplored. Ex: Robotics, Digitalization.  This along with its quality products portfolio puts Schaeffler India in a vantage position.	NA	Positive
8.	Waste Management	Opportunity	With established waste management practices in place, Schaeffler India sees an opportunity from managing waste effectively. Schaeffler India has the mechanisms in place, and is generating secondary revenue from discarded waste from operations (used oil, metal scrap).	NA	Positive
9.	Compliance	Risk	Compliance acts as base for building trust among external stakeholders and also among employees. The recurring nature of compliances and constantly evolving regulations means that there is an increased likelihood of an unintentional miss happening. Non-compliance against regulations will result in relevant penalties.	The Company has digitally enabled comprehensive compliance management system. Schaeffler India's established processes and systems ensure that such scenarios do not occur.	Negative
10.	Data security & Data protection	Risk	Schaeffler India runs digitised operations through software solutions and automation. This also means that any breach into the existing IT setup could cause significant business disruption. As has happened in multiple instances across the industry, the IT breaches can happen unannounced any time, including the near-term.	Schaeffler India's existing IT controls are reviewed regularly to ensure such attempts and attacks are mitigated. These include a robust information security policy based on the ISO/IEC 27001 standard and taking into account sector-specific regulations, monitoring the networks for cyber threats through Security Operations Centre (SOC) to detect and respond to cyber security events, and regular training amongst employees for awareness.	Negative

## Business Responsibility and Sustainability Report

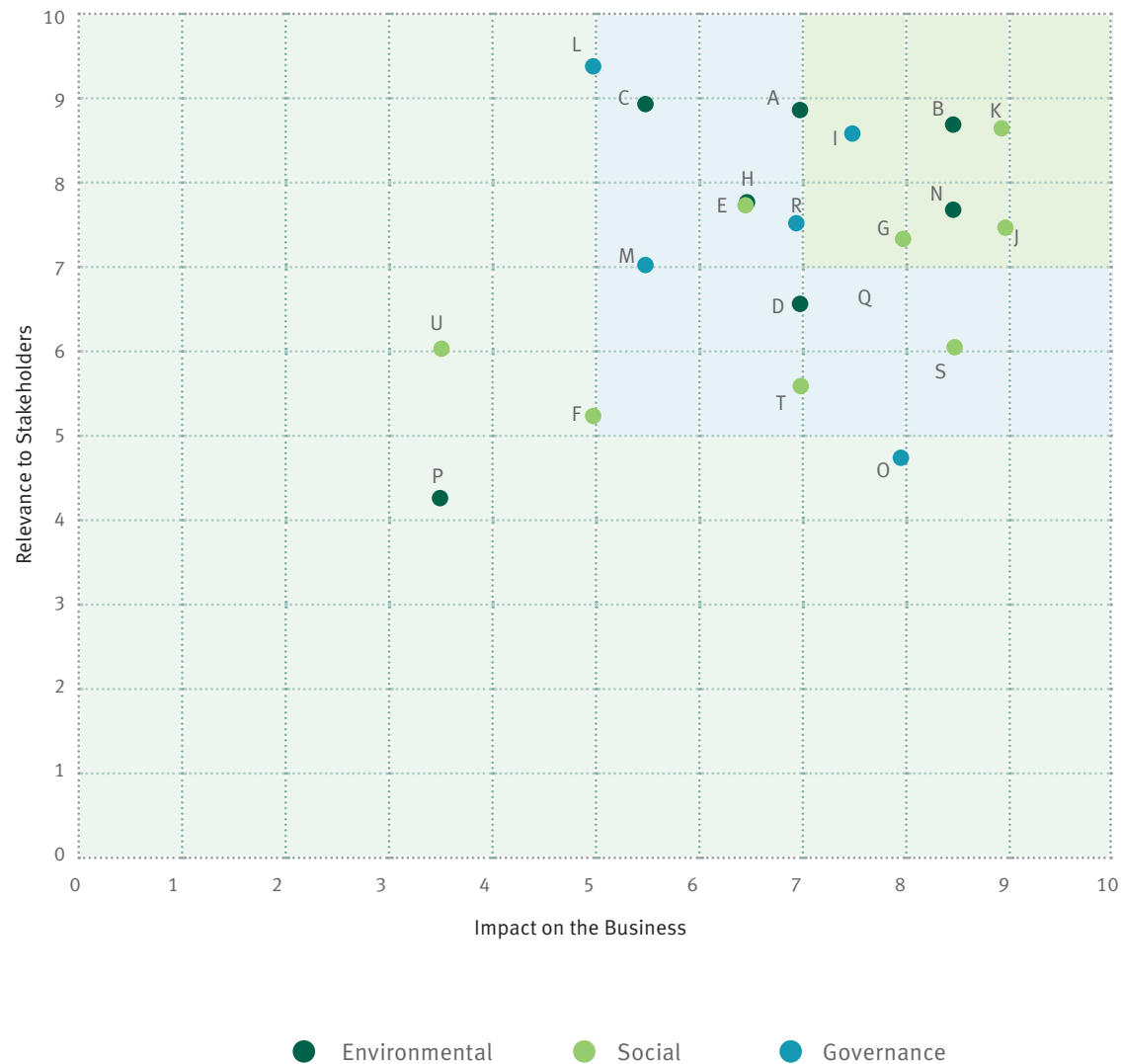
Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11.	Human Rights	Risk	This encompasses the fundamental rights and freedoms entitled to all individuals. It eliminates child & forced labour, harassment and discrimination and promote respect to individuals throughout their operations and supply chains. Schaeffler India takes a Zero Human Rights violations stance and considers the significant operational and reputational consequences if this is unmet.	With the current policies and support mechanisms available to the workforce, the possibility and impact of human rights non-compliances is limited. Our Code of Conduct (COC) contains principles of human rights and fair treatment. The Company is committed to the United Nations' international code of human rights, the "UN guiding principles on business and human rights", the ten principles of the "UN Global Compact", and the internationally-recognised standards of the eight core conventions of the International Labour Organization (ILO).	Negative
12.	Employees in the value chain	Risk	Schaeffler India has a large number of vendors on its vendor management system and with each of them being compliant to Schaeffler Procurement Policy, our approach ensures wider impact on social and environmental parameters, including their employee rights. At the same time, any potential divergence by vendors from established vendor norms, in their respective operations, could lead to operational and reputational losses for Schaeffler India too.	All the Schaeffler India vendors need to confirm at multiple stages (onboarding and annual assessments) that they have all mechanisms in place to ensure that they zero violations on human rights and labour practices. Schaeffler India also encourages the standout vendors through recognitions and awards. The Company's measures to constantly check and confirm its value chain partners' alignment with signed targets and commitments through STA, CoC, SAQ etc. bring down the likelihood of the risk.	Negative
13.	Vendor management	Risk	Integrated supply chain forms an important part of Schaeffler India's operations. The Company depend on supplier performance to manage its production and delivery to its customers. This significant dependence means that the magnitude of risks due to vendor failures is high.	Schaeffler India has established controls and alternative options for its supplier base to ensure it does not have 'single point of failures', in case of vendor related challenges. The Company has also established proactive measures to maintain a healthy and positive working relationship with its vendors. It further gathers the pulse of the suppliers through regular surveys and assessments.	Negative
14.	Product quality & safety	Opportunity	Schaeffler India's customers value high quality and safe components, since their consumers value these aspects very highly in the automotive segment. Schaeffler India is already known for quality and safety of its products vis-a-vis its peers. This continues to enable strong customer relationships, helping the Company grow and sustain the business.	NA	Positive
15.	Ethics & Transparency	Risk	Considering the scale of Schaeffler India's business and market footprint across segments, a minor mishap on ethics could cause significant reputational loss and business damage.	Schaeffler India's Code of Conduct (COC) contains principles of human rights and fair treatment. The Company is committed to the United Nations' international code of human rights, the "UN guiding principles on business and human rights", the ten principles of the "UN Global Compact", and the internationally-recognised standards of the eight core conventions of the International Labor Organization (ILO). Schaeffler India's strong controls and safeguards give the confidence that the probability of the risk is extremely remote.	Negative

## Business Responsibility and Sustainability Report

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
16.	Economic performance	Opportunity	An enhanced business profile, due to strong financial performance, positions Schaeffler India as a strong contender in the market for new/unexplored business. At the same time, the industry's positive growth trajectory requires companies including Schaeffler India, to use significant natural resources. Schaeffler India sees this as an opportunity to evolve sustainable products with lesser carbon footprint, resulting in responsible business offerings.	NA	Positive
17.	Community Engagement	Opportunity	The opportunity Schaeffler India sees is through the positive impact of its community engagement projects. This helps ensure having a healthy relationship that provides positive momentum to business growth in the region. Considering the timelines associated with realising impacts of the community engagement projects, the opportunity for positive business impact will come in the long-term.	NA	Positive
18.	Transportation & Logistics	Risk	Considering the disruption a failure in supply chain logistics could cause to operations and market sales, the risk magnitude is noteworthy. The Company observed situations where disruptions in upstream/downstream transport and logistics services due to climate events has occurred in the recent past.	Schaeffler India's operations require a diversified supplier base and this means suppliers across geographies. Provisions have also been made to keep track of political events and weather forecasting, and having alternatives during such circumstances.	Negative
19.	Sustainable product design	Opportunity	Schaeffler India supplies to large names in automotive space, thereby having wider end-customer footprint. The Company's footprint is significant in the industrial segment too. The interest of Schaeffler India's clients (and potential clients) in low-carbon inputs both components and raw material, is showing an increase in recent times.	NA	Positive
20.	R&D Innovation and Technology	Opportunity	Schaeffler India's R&D function works in close tandem with the Schaeffler group's R&D agenda. Considering the comprehensive review process within the Schaeffler group, any innovations coming from R&D go through reviews and receive approvals are market-ready. Further, the potential of innovations launched in the market, to tap into the opportunity is significant.	NA	Positive
21.	Customer Relationship Management	Opportunity	Considering that multiple factors influence a customer and their business relationship with the Company, Schaeffler India's existing mechanisms to manage and nurture its customer relationships are strong and seasoned. These include open, clear and regular communications with customers regarding important events and progress of company, and regular surveys to know areas where improvement is required.	NA	Positive

## Business Responsibility and Sustainability Report

### Financial Materiality



#### Priority Topics

- B - Energy Management
- I - Data Security & Data Protection
- K - Product Quality & Safety
- G - Diversity & Inclusion
- J - Safety & Working Conditions
- N - Sustainable Product Design

#### Potential Topics










- A - Waste Management
- C - Emissions Management
- D - Water Management
- E - Transportation & Logistics
- H - Human Rights
- L - Ethics & Transparency
- M - Compliance
- Q - Customer Relationship Management
- R - R&D Innovation and Technology
- S - Human Capital Development
- T - Vendor Management

#### Horizon Topics

- F - Community Engagement
- O - Economic Performance
- P - Biodiversity
- U - Employees in the Value Chain

## Business Responsibility and Sustainability Report

## Section B: Management and Process Disclosures

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethical & Transparent Business Conduct	Sustainable and Safe Goods	Well-being of Employees	Interest of Stakeholders	Promote Human Rights	Protect & Restore Environment	Public Policy Advocacy	Diversity & Inclusion	Value to Consumers
										
		Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable	Businesses should provide goods and service in a manner that is sustainable and safe	Businesses should respect and promote the well-being of all employees, including those in their value chains	Businesses should respect the interests of and be responsive to all its stakeholders	Businesses should respect and promote human rights	Businesses should respect and make efforts to protect and restore the environment	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Businesses should promote inclusive growth and equitable development	Businesses should engage with and provide value to their consumers in a responsible manner
<b>Policy and management processes</b>										
1.	a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes, the Company has policies which are relevant to NGRBC principles. (See below)								
	b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes, all the relevant policies are approved by the Board of Directors								
	c) Web-link of the Policies, if available	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Company policies are available on Schaeffler India official website, also some policies & internal documents are available on company's internal website. <a href="https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/">https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/</a>								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes, all the policies are translated into procedures. Procedures are available on management handbook on the Company's internal website.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes, per CSRM (Category-specific Requirements Matrix), we extend the policies to the value chain partners, like we have Supplier code of conduct (Now, Business partners code of conduct) applicable to suppliers. <a href="https://www.schaeffler.co.in/en/company/purchasing-and-supplier-management/sustainability/">https://www.schaeffler.co.in/en/company/purchasing-and-supplier-management/sustainability/</a>								

## Business Responsibility and Sustainability Report

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
4.	<b>Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	ISO 9001:2015 IATF 16949 ISO/TS 22163:2017 Quality Assurance programme certification	ISO 9001:2015 IATF 16949 ISO/TS 22163:2017 ISO 14001:2015 ISO 45001:2018 BIS series	LKSG ILO Convention ISO 45001:2018	ISO 9001:2015 IATF 16949 TISAX BIS series	LKSG ILO Convention ISO 45001:2018	ISO 45001:2018 ISO 14001:2015 ISO 50001:2018 EU-EMAS	BIS Specifications	LKSG ILO Convention	ISO 9001:2015 IATF 16949 Quality Assurance programme certification ISO/TS 22163:2017 TISAX BIS series
		<sup>1</sup> Our IT Procedures are compliant with General Data Protection Regulation ("GDPR") and the Digital Personal Data Protection Act, ("DPDP") 2023.								
		<sup>1</sup> Information security management system (ISMS) is aligned with international standards such as ISO/IEC 27001.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Schaeffler India has developed an ambitious and structured programme with long-term goals to advance our commitment towards sustainability. (Refer page 55)								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Schaeffler India has the process of monitoring ESG performance to track deviations on time. Schaeffler India conducts regular quarterly reviews of ESG performance with the Top Management and presents the same to the Board of Directors and the suggested changes, if any, are made in the strategy, if required. Also, Monthly reviews are conducted at plants by Plant Managers. Details about progress so far on our targets is available on page 55 in the Annual report.								
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	1. Code of Conduct for Directors, Senior Management & Employees 2. Code on Prohibition of Insider Trading 3. Dividend Distribution Policy 4. Policy on Determination of Material Subsidiary 5. Policy on Determination of Materiality for Disclosure of Events or Information 6. ESG Group policy (Internal document) 7. Risk Management Policy 8. Information_Cyber_Security-DataProtection (Internal policy document)				9. Human right compliance policy (Group, Internal policy document) 10. Legal policy (Group Internal policy document) 11. Related Party Transactions Policy 12. Vigil Mechanism or Whistle-Blower Policy 13. Internal Audit Charter 14. Business Integrity Compliance (Group Internal policy) 15. Policy against Sexual Harassment (POSH Policy) 16. Compliance with Anti trust and Competition Law internal guidelines 17. Internal control system policy (Group Internal policy)				
P2	Businesses should provide goods and services in a manner that is sustainable and safe.	1. The Schaeffler Supplier Code of Conduct 2. Sustainability target agreement (Internal document) 3. EnEHS policy (Group policy)				4. Quality & continuous improvement Policy (Group Internal policy) 5. Human right compliance policy (Group Internal policy) 6. ESG Group policy (Group Internal policy)				
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.	1. Nomination and Remuneration Policy 2. Internal policies: Employee transfers, employee referral, employee death benefit etc. 3. Policy against Sexual Harassment 4. Vigil Mechanism or Whistle-Blower Policy 5. Compliance with Anti trust and Competition Law internal guidelines				6. Code of Conduct for Directors, Senior Management & Employees 7. Internal policies: employee education Assistance, travel, mobile, Petro card, Internal job, relocation, car policy, Parental policy, workman leave policy 8. ESG Group policy (Internal document) 9. Human resource policy (Group Internal policy Document)				

## Business Responsibility and Sustainability Report

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
P4	Businesses should respect the interests of and be responsive to all its stakeholders.	1. Divided distribution policy 2. Code on Prohibition of Insider Trading 3. Policy on Determination of Materiality for Disclosure of Events or Information 4. Code of Fair Disclosure and Conduct; Policy for determination of “Legitimate Purposes” 5. Internal Audit Charter 6. Compliance with Anti trust and Competition Law internal guidelines				7. Risk Management Policy 8. Related Party Transactions Policy 9. Business Integrity Compliance (Internal Policy) 10. Supplier code of Conduct, STA (Sustainability Target Agreement- Internal document) 11. Vigil Mechanism or Whistle-Blower Policy 12. Information_Cyber_Security-DataProtection (Internal policy document)				
P5	Businesses should respect and promote human rights.	1. Code of Conduct for Directors, Senior Management & Employees 2. Human right compliance policy (Group, Internal policy document) 3. Nomination and Remuneration Policy				4. The Schaeffler Supplier Code of Conduct (Internal policy Document) 5. EnEHS policy (Group policy) 6. ESG Group policy (Internal doc)				
P6	Businesses should respect and make efforts to protect and restore the environment.	1. EnEHS policy (Group policy) 2. Emergency Planning 172930 – 172949 (Group Internal policy) 3. ESG Group policy (Internal document) 4. Business continuity, contingency & crisis mgmt.(Group Internal policy)				5. Policy for Preservation of Documents & Archival of Information 6. Sustainability target agreement (Internal Document) 7. Risk Management Policy				
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1. Code of Conduct for Directors, Senior Management & Employees 2. Code on Prohibition of Insider Trading; Code of Fair Disclosure and Conduct; Policy for determination of “Legitimate Purposes” 3. Business Integrity Compliance (Internal Policy)								
P8	Businesses should promote inclusive growth and equitable development.	1. Corporate Social Responsibility Policy 2. The Schaeffler Supplier Code of Conduct				3. Human right compliance policy (Group, Internal policy document) 4. ESG Group policy (Group Internal doc)				
P9	Businesses should engage with and provide value to their consumers in a responsible manner.	1. Cyber security policy 2. Code of Conduct for Directors, Senior Management & Employees 3. Privacy policy 4. Compliance with Anti trust and Competition Law internal guidelines 5. Information security policy, Artificial intelligence(AI) policy (Group, internal policy document)				6. Internal Audit Charter 7. Quality & continuous improvement Policy (Group, internal policy document) 8. Information_Cyber_Security-Data Protection (Group, internal policy document) 9. Internal control system policy (Group)				
	(All are internal policies available on company intranet page.)									



Business Responsibility and Sustainability Report

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight										
7.	<b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).</b> A statement from the MD & CEO, please refer page 21.									
8.	<b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b> Name of highest authority : Mr. Harsha Kadam Designation : MD & CEO DIN : 07736005 Category : E & NID									
9.	<b>Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.</b> <p>The Company has a structured “Sustainability Network” to set Sustainability targets, to review the performance and follow up actions in defined areas of ESG. Sustainability Network is overseen by six pillars of Leadership Team.</p> <p>Six pillars are – Strategy, Sustainable purchasing, Sustainable production, Sustainable products, Sustainability reporting, People and Culture.</p> <p>The network is responsible for reviewing, monitoring, and discussing key sustainability performance indicators and defining strategy and action plans to achieve them. Team ensures Schaeffler standards, and stakeholders’ expectations are fulfilled. Quarterly reviews in Board meeting are conducted where ESG performance are discussed &amp; suitable changes are made in our strategy if required.</p> <p>In addition, we have the following Board committees in which sustainability related issues are discussed &amp; recommendations are made.</p> <p><b>1. The Risk Management Committee:</b> The RM Committee formulated a detailed Risk Management Policy covering the framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, measures for risk mitigation including systems and processes for internal control of identified risks and Business continuity plan. The RM Committee ensures that appropriate methodology processes and systems are in place to monitor and evaluate risks associated with the business of the Company. The RM Committee monitors and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems. (For composition of Risk Management Committee refer Corporate Governance Report).</p> <p><b>2. The Corporate Social Responsibility (CSR) Committee:</b> The CSR Committee defines the focus areas and indicate the activities to be undertaken by the Company under CSR domain. The CSR Committee formulate the Annual action Plan, monitor the budget under the CSR activities of the Company. The CSR committee reviews status of the CSR projects undertaken towards social cause and further gives directions to uplift the life of the community surrounding, which contributes for sustainability. (For composition of CSR committee please refer CSR report.)</p>									
10.	<b>Details of Review of NGRBCs by the Company:</b>									
<b>Subject for Review</b>		<b>Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee</b>								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances.		Yes, Done by Executive management, relevant committee & Board								
<b>Subject for Review</b>		<b>Frequency</b>								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances.		Periodic reviews by relevant executive management for six pillars & Quarterly by Relevant committee & Board								

Business Responsibility and Sustainability Report

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	<b>Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</b>	Yes, an assurance engagement was carried out by BDO AG to provide assurance about design, implementation and operating effectiveness of Compliance Management System on topics anti corruption, anti-trust and prevention of economic crime. During the EHS audits, as part of the requirements of ISO standards, EHS policy is assessed/evaluated and suitable review is undertaken if required. Independent external agencies Ms. EMAS and Ms. Intechnica are conducting our EHS & energy management systems audits. Also, we have robust internal audit process which carry out a detailed examination of policies & procedures and regulatory requirements. As a part of process, report on the status of compliance is submitted to Board on a regular basis. To comply with best practices and mitigate risks, policies are reviewed and revised periodically by various business leaders, and then approved by the management/Board. Policy review is also part of ISO certification process which is done at HQ level.								
12	<b>If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:</b>									
	The entity does not consider the Principles material to its business. (Yes/No)									
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles. (Yes/No)									
	The entity does not have the financial or/human and technical resources available for the task. (Yes/No)	Answer to question (1) above is “Yes”, hence this question is Not Applicable								
	It is planned to be done in the next financial year. (Yes/No)									
	Any other reason. (please specify)									

## Business Responsibility and Sustainability Report

## Section C: Principle Wise Performance Disclosure

### PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Refreshing Integrity & Security @ Schaeffler	100%
	5	Operational, Financial Performance, Business Performance & Risk Management, ESG	100%
		<b>Induction of new Independent Director:</b>	
		Interaction with Executive Leadership Team - Operational, Business and Functional details	100%
		Interaction with VP-Legal & CS - Listed entity structure, Regulatory framework, Shareholding structure, Board and Committee composition, Related Party Transaction framework, Insider Trading framework etc.	100%
		Interaction with Head – Internal Audit - Internal Audit framework, Scope and Risk matrix	100%
		Interaction with Group Audit Committee Chairperson - Group Audit framework	100%
Key Managerial Personnel	1	Operational, Financial Performance, Business Performance & Risk Management, ESG	100%
	4	Integrity & Security @ Schaeffler	100%
		Preventing Bribery & Corruption (PBAC)	100%
		New Compliance WBT “Antitrust Compliance”	100%
Employees other than BoD and KMPs <sup>1</sup>	7	Integrity & Security @ Schaeffler (New Joiners)	100%
		Preventing Bribery & Corruption (PBAC) (For new joiners)	100%
		Refreshing Integrity & Security @ Schaeffler (For existing)	99%
		New Compliance WBT “Antitrust Compliance” (For new joiners)	100%
	62	Schaeffler Governance Framework	96%
		Windchill training	
		SIEMENS SINAMICS Training	
		Workshop on Become Master Presenter	
		The Trust Equation (Leadership Essential)	
		NITAL HNO3 Tank Process Implementation Awareness Training	
		Mastering Self-Motivation	

## Business Responsibility and Sustainability Report

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
		Managing Export Control Concerns and Compliance in the Sales Process GFR 111 A (Workplace safety) Functional Training on Project Management Finance for Non Finance Electrical Cabinet: Design of special machinery Diversity, Inclusion and Belonging DFMEA Design for Potential Failure Modes and Effects Analysis Quality in Critical Thinking and Problem Solving Communicating Effectively to Improve Your Leadership Brand Coaching Conversations Power BI and Analysis Tools Prevention of Sexual Harassment (POSH) at Workplace Human rights Performance and Goal Management (PMGM)	
Workers <sup>1</sup>	51	Awareness Training of Bearing Handling During Assembly and Roller Visual Defect KAIZEN PRESS SAFETY TOOL SETTING 5S + DOJO Training Addressing Poor Work Habits Prevention of Sexual Harassment (POSH) at Workplace Bearing Assembly Process Chemical Material Handling Cyber Security Awareness Workplace Fire Extinguisher and Fire Hydrant Practical KATA Coaching Machine safety/Workplace Safety Problem Solving and Decision-Making (8D and Other Tools)	79%

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

## Business Responsibility and Sustainability Report

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	During the year, there were no fines/penalties/punishment/award/compounding fees settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions in accordance with the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	During the year, there were no imprisonment/punishments against any Directors/KMP				
Punishment					

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not applicable – As during the year, there were no fines/penalties/punishment/imprisonment/award/compounding fees settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions in accordance with the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes

Business practices of Schaeffler are based on the principles of mutual respect, integrity and fairness which are defined in Schaeffler Code of Conduct, which is available on Schaeffler India website. Clause 2.2 of the Code of Conduct provides guidance on Anti-corruption. The values and principles of code of conduct are implemented while designing the business integrity compliance policy (Internal document)

This policy provides binding instructions on business integrity, particularly in the compliance risk areas below, to reduce the risk of violations of the law.

- Anti-corruption
- Fair competition, Antitrust and competition law
- Avoiding Conflicts of interest
- Prevention of money laundering and financing of terrorism
- Export control & sanctions law
- Business Partner due diligence

Business Responsibility and Sustainability Report

- Proper accounting & financial reporting
- Reporting of misconduct
- Transparency and traceability of transactions

Schaeffler India also has a separate Code of Conduct for Directors, Senior Management & Employees (refer: CoC of Directors, Senior Management & Employees) and Suppliers Code of Conduct (refer: COC\_ Suppliers). The relevant policies can be accessed through the web-link provided. The Company also creates awareness about the policy to all its employees, vendors and supply chain partners through physical/virtual training sessions, e-modules Etc. Following are links.

[Coc of directors, senior management & employees](#)

[Supplier Code of conduct](#)

[Group code of conduct](#)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2024	FY 2023
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2024	Remark	FY 2023	Remark
	Number		Number	
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No Conflict of Interest incidents were reported against Directors	0	No Conflict of Interest incidents were reported against Directors
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	No Conflict of Interest incidents were reported against KMPs	0	No Conflict of Interest incidents were reported against KMPs

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest

Not applicable, as we do not have any instances of corruption/conflicts of interest against Directors and KMPs.

## Business Responsibility and Sustainability Report

### 8. Number of days of accounts payables ((Accounts payable\* 365)/Cost of goods/services procured) in the following format:

	FY 2024	FY 2023
Number of days of account payables	64	72

### 9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases <sup>2</sup>	a) Purchases from trading houses as % of total purchases	3.0%	3.0%
	b) Number of trading houses where purchases are made from	331	334
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	35.5%	36.8%
Concentration of Sales	a) Sales to dealers/distributors as % of total sales	16.6%	15.7%
	b) Number of dealers/distributors to whom sales are made	753	755
	c) Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	21.2%	21.8%
Share of RPTs in	a) Purchases (Purchases with related parties/Total Purchases)	43.6%	41.1%
	b) Sales (Sales to related parties/Total Sales)	12.3%	12.6%
	c) Loans & advances (Loans & advances given to related parties/Total loans & advances) <sup>1</sup>	100.0%	100.0%
	d) Investments (Investments in related parties/Total Investments made) <sup>1</sup>	100.0%	100.0%

<sup>1</sup>Here we have considered non - current Loans & Non-current investments for calculation.

<sup>2</sup>Schaeffler India purchases production material directly from Supply Chain Partners and do not involve any trading houses from import/export perspective. Values mentioned here are concerned with domestic dealers/traders & consisting only of non production material.

## Business Responsibility and Sustainability Report

### Leadership Indicators

#### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes (2024)	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes (2023)
25	Supply Chain digitalization: The "SupplyOn" tool is implemented with Production Material suppliers as per group guideline. It covers topics such as Sourcing Module, Web EDI, ASN, GTL, Performance Monitor etc.	95% <sup>2</sup>	90%
35	Schaeffler Supplier Sustainability (Carbon emission management and targets, Environmental management certification, Occupational health and safety certification, SAQ and Sustainability Target agreement).	62% <sup>1</sup>	89% <sup>1</sup>

<sup>1</sup>Self-Assessment Questionnaire (SAQ) by supplier

<sup>2</sup>As a percentage of Purchase value from supply chain partners

#### 2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes

All directors are governed by Schaeffler India Code of Conduct for Directors, Senior Management & Employees which includes Conflict of interest (COI) clause.

COI declarations are taken from the Board members on an annual basis. Adequate resolution is agreed about the declared conflict and documented.

We have internal policy document on Business integrity & compliance (Internal Policy) which lays down procedures for the Disclosure and Handling of Conflicts of Interest. Following are links for code of conduct:

[Coc of directors, senior management & employees](#)

[Supplier Code of conduct](#)

[Group code of conduct](#)

[Business integrity & compliance policy \(internal policy\)](#)



## Business Responsibility and Sustainability Report

**PRINCIPLE 2**

Businesses should provide goods and services in a manner that is sustainable and safe

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R&D	100%	100%	<ol style="list-style-type: none"> <li>1. We continue to strive towards improving performance and developing efficient solutions to support customers in meeting their sustainability targets.</li> <li>2. On one hand, our efforts continue towards localisation of the products and at the same time, investments for improving testing capabilities and competency enhancements aiming for localisation in all aspects marks another step towards sustainability.</li> <li>3. Because of a diversified product portfolio, other than conventional product enhancements, our new product development and testing capability enhancement for future mobility products for Hybrids and BEVs have also commenced during 2024.</li> </ol>
Capex	6.3%	7.4%	

1. 100% of Schaeffler India Limited's R&D spend can be aligned to one or more principles of NGRBC.
2. For capex we already have established machineries & procedures to control the environmental and social impacts of our product and processes, we do regular checks & updates which require no investment as such for time being.

**2. Details on Sustainable Sourcing**

**a) Does the entity have procedures in place for sustainable sourcing?**

Yes

Sustainability is an integral part of Schaeffler's DNA. This includes identifying, managing, and optimising the ecological, social, and economic effects in the supplier network. Modern technologies require raw materials, which frequently come from critical regions of the world. Climate change and the increasing scarcity of resources are also affecting our supply chains. In this context, we have made it a key objective to achieve climate neutrality in our supply chains by 2040. We intensify business relationships with our suppliers in order to further develop sustainable practices in their own organization and promote collaboration.

1. We have Sustainable Procurement Policy available on Schaeffler India's website.
2. Supplier Code of Conduct signed by all Schaeffler India suppliers.
3. Self-Assessment Questionnaire (SAQ) is applicable for new supplier as well as existing suppliers. It covers topics such as Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials etc. Supplier limitations in SAQ are referred to RSCI audit (Responsible Supply Chain Initiative).
4. Sustainability aspects are included in sourcing approval.

## Business Responsibility and Sustainability Report

5. Sustainability Target Agreement (STA) for continuous improvement in sustainability performance with selected production material suppliers as per group guideline/ targets - every year. STA covers, Greenhouse Gas Emissions, Renewable Energy, Waste management, Human rights aspects (Human rights due diligence), Returnable packaging etc.
6. Through our SAQs (Self assessment questionnaire) we ensure that our Business Partners identify the presence and source of minerals by using the Responsible Minerals Initiatives (RMI) reporting templates viz: Conflict Minerals Reporting Template (CMRT), Extended Minerals Reporting Template (EMRT) and Pilot Reporting Template (PRT).  
[Sustainability | Schaeffler India](#)

### b) If yes, what percentage of inputs were sourced sustainably?

Yes

It is mandatory for all suppliers of Schaeffler India to declare their commitments to our sustainability requirements during onboarding as per qualification requirements. More than 60% of Schaeffler’s inputs are sourced through sustainable sourcing.

### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

Schaeffler India has a Prohibited Substance standard which is applicable to all the raw material namely Steel, plastics, rubber, oil, and Lubricants including packaging material. This is the comprehensive standard encompassing all the material compliance related requirement applicable to all the Schaeffler products.

This standards not only addresses the ELV compliance but also includes Compliance with respect to ROHS, REACH, POP, Asbestos free, CLP (classification, labeling and packaging) compliance, TSCA (toxic substance compliance Act), Phthalates free material. Since Schaeffler has global presence and delivers parts across the globe, including, Europe, Americas, Asia pacific, China and other South African Countries, this hazardous and prohibited substance standard ensures inclusion and incorporation of all related and updated applicable material compliance requirement considering global and region wise local customers’ requirement and fulfilling them diligently and demonstrating the compliance by providing the compliance reports in terms of IMDS (international Material data system) reports, ELV, ROHS, REACH, POP ASBESTOS Free compliance report as well as follow Conflict Mineral Report system.

Additionally, Schaeffler India has established a structured process to monitor any new legal regulations issued by the Indian government or other relevant authorities or by the customer. This multilayered evaluation allows for thorough review and ensures proactive measures are taken if any regulations apply to Schaeffler India products from current and future businesses.

We adhere to the three R principle: Reduce, Reuse, and Recycle. To manage our waste, we implement various efficient waste management initiatives that consider environmental impact, social effects, and commercial viability there by we contribute towards circular economy. Our E-Waste is also provided to Original equipment manufacturer and registered recycler, so as per E-Waste guideline, being end user we comply to this requirement laid down in E-Waste rule. We are also committed towards Zero waste to landfill. (For detail please refer to page 60)

- |                                    |  |
|------------------------------------|--|
| (a) Plastics (including packaging) | Plastic waste generated from our manufacturing and warehousing locations are recycled through an authorised recycler.  |
| (b) E-waste                        | Waste generated from all locations is safely recycled through an authorised recycler or sent back to original manufacturer.  |
| (c) Hazardous waste                | Waste generated from manufacturing locations is sent to authorised recyclers or for co-processing, remaining waste is scientifically disposed off in an authorised landfill. We have initiated a pilot project for Zero Waste to landfill at two of our plant locations. |
| (d) Other waste                    | Metal scraps from the manufacturing process are recycled either by sending them back to the suppliers or authorised recycler.  |

Note: Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final product which will be sold to consumer. So, for Schaeffler India Limited consumers are these OEM companies i.e customers and has limited scope to directly reach to consumer.

Business Responsibility and Sustainability Report

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes

It is applicable under category of Brand owner & Importer under plastic waste management rules 2016.

Schaeffler India is registered under importer category.

Schaeffler India has applied for registration under brand owner category along with the action plan.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Besides reduction of greenhouse gas emissions in our own production and facilities, we at Schaeffler India aim to reduce our climate footprint along the entire value chain. This includes assessing and reducing CO<sub>2</sub>-Emissions arising with our suppliers, as well as the footprint generated by the products during their use phase and in disposal. To this end we conduct life cycle analyses (LCA) on our products.

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
28140	Ball & Roller Bearing	56%	Cradle-to-gate	No	LCA carried out centrally at group level
28140	Engine Components	15%	Cradle-to-gate	No	
28140	Transmission System	28%	Cradle-to-gate	No	

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

LCA is carried out as per the Group Guidelines and there were no significant social & environmental concerns identified in LCA. However, Schaeffler has committed for Net Zero emissions from its operations by 2040.

Name of Product/Service	Description of the risk/concern	Action Taken
Nil	Nil	Nil

Business Responsibility and Sustainability Report

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024	FY 2023
Packaging plastic material	12.1%	15.9%
Plastic granules	19.9%	12.0%
Castings	85.0%	83.1%
Steel	13.6%	17.2%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024			FY 2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

We are intermediaries in supply chain, where major quantum of our products is directly supplied to the OEMs. Hence the Company has no scope for reclaiming it at the end of its lifecycle.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not applicable

We are intermediaries in supply chain, where major quantum of our products is directly supplied to the OEMs. Hence the Company has no scope for reclaiming it at the end of its lifecycle.

## Business Responsibility and Sustainability Report

### PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

#### Essential Indicators

##### 1. a) Details of measures for the well-being of employees:

	% of employees covered by										
Category		Health insurance		Accident insurance		Maternity benefits		<sup>1</sup> Paternity Benefits		<sup>2</sup> Day Care facilities	
	Total (A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,549	1,549	100%	1,549	100%	0	0%	1,549	100%	0	0
Female	103	103	100%	103	100%	103	100%	0	0%	63	61%
<b>Total</b>	<b>1,652</b>	<b>1,652</b>	<b>100%</b>	<b>1,652</b>	<b>100%</b>	<b>103</b>	<b>100%</b>	<b>1,549</b>	<b>100%</b>	<b>63</b>	<b>61%</b>
Other than Permanent employees											
Male	121	121	100%	121	100%	0	0%	0	0%	0	0%
Female	29	29	100%	29	100%	29	100%	0	0	14	48%
<b>Total</b>	<b>150</b>	<b>150</b>	<b>100%</b>	<b>150</b>	<b>100%</b>	<b>29</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>14</b>	<b>48%</b>

##### b) Details of measures for the well-being of workers:

	% of workers covered by										
Category	Health insurance			Accident insurance		Maternity benefits		<sup>1</sup> Paternity Benefits		<sup>2</sup> Day Care facilities	
	Total (A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,245	1,245	100%	1,245	100%	0	0%	1,245	100%	0	0%
Female	25	25	100%	25	100%	25	100%	0	0%	25	100%
<b>Total</b>	<b>1,270</b>	<b>1,270</b>	<b>100%</b>	<b>1,270</b>	<b>100%</b>	<b>25</b>	<b>100%</b>	<b>1,245</b>	<b>100%</b>	<b>25</b>	<b>100%</b>
Other than Permanent Workers											
Male	2,272	2,272	100%	2,272	100%	0	0%	353	16%	0	0%
Female	163	163	100%	163	100%	163	100%	0	0%	136	83%
<b>Total</b>	<b>2,435</b>	<b>2,435</b>	<b>100%</b>	<b>2,435</b>	<b>100%</b>	<b>163</b>	<b>100%</b>	<b>353</b>	<b>16%</b>	<b>136</b>	<b>83%</b>

<sup>1</sup>Parental leave was not applicable to Male employees in year 2023, from 2024 onwards this is applicable to all permanent male employees across Schaeffler India

<sup>2</sup>In two plants Day care facility is available, for rest of the plants it is in construction stage. We have plan in place to introduce the facility for our employees in year 2025.

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

## Business Responsibility and Sustainability Report

### c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –Cost incurred on well-being measures as a % of total revenue of the Company for Current Financial Year and Pervious Financial Year:

	FY 24 (%)	FY 23 (%)
Cost incurred on well-being measures as a % of total revenue of the Company	0.11%	0.06%

## 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF <sup>1</sup>	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Superannuation benefit (Co Fund + NPS)	100%	100%	Yes	100%	100%	Yes

<sup>1</sup>includes family pension scheme.

## 3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our premises and offices are currently accessible to differently abled employees and workers mostly. We follow harmonised guidelines and space standards for barrier free environment for persons with disability. We are progressing towards installing the required facilities to make the premises accessible to differently abled employees and workers. We have basic infrastructure development plan for Differently-abled persons in all the plants. This plan includes:

1. Signages
2. Separate Entry-Exit for punching
3. Elevator, Ramp and Handrails
4. Dedicated Parking
5. Washrooms/Restrooms are few of them

In addition, to encourage diversity and inclusion, one aspect is to deploy differently abled candidates. In this view, as a regular practice the potential positions are identified in technical as well as non-technical functions. These positions may be filled on on-roll and off-roll basis. Currently, there are approximately 8 differently abled employees and workers deployed in different locations.

Business Responsibility and Sustainability Report

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Schaeffler India Code of Conduct (COC), incorporates principle of Diversity. We have recognised equality as one of the human right and respecting this human right at workplace is priority for the Company. The Company has a long-term commitment towards creating a respectful working environment that is free from prejudice and in which diversity is regarded as a success factor. We believe in respecting each individual and giving equal opportunity at work place regardless of their age, gender, gender identity, ethnic and social background, nationality, religion, world view, disabilities, and sexual orientation. Being a global organization Schaeffler considers cultural diversity as strength.

We strive to create a working environment which is inclusive and free from discrimination, intimidation, and abuse. Our diversity and inclusion policy is under formulation stage.

[Coc of directors, senior management & employees](#)

[Supplier code of conduct](#)

[Group code of conduct](#)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male <sup>1</sup>	100%	100%	100%	100%
Female	100%	100%	0 <sup>3</sup>	0 <sup>3</sup>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>1</sup>From year 2024 onwards this is applicable to all male candidates across Schaeffler India.

<sup>3</sup>There is no women worker who has taken maternity leave under permanent workers category.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	(If Yes, then give details of the mechanism in brief)	
Permanent Workers	Yes	<ul style="list-style-type: none"> <li>For workers we have unions in place wherein workers can file a complaint and/or approach the management at any point of time to resolve their grievances. As an additional measure the Company has well structured grievance mechanism with the clear scope &amp; objectives.</li> </ul>	Under vigil mechanism employee can file compliant <a href="mailto:weo.india@schaeffler.com">weo.india@schaeffler.com</a>
Other than Permanent Worker			POSH related complaints <a href="mailto:posh@schaeffler.com">posh@schaeffler.com</a>
Permanent Employees		<ul style="list-style-type: none"> <li>Under Vigil Mechanism and Whistle-Blower Policy, we have defined policy to file a complaint through separate e-mail Ids, Helpline numbers &amp; SPOCs for filing related complaints. (Contact information circulated among employees).</li> <li>Every plant &amp; offices have ICC committee to deal the issues related to POSH issues through helpline number, e-mail Id, SPOCS.</li> </ul>	Compliance related, Human rights queries <a href="mailto:complianceindia@schaeffler.com">complianceindia@schaeffler.com</a> dedicated hotline number provided in code of conduct
Other than Permanent Employees			Employee can file any complaint anonymously <a href="https://www.bkms-system.net/schaeffler">https://www.bkms-system.net/schaeffler</a>

## Business Responsibility and Sustainability Report

### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024			FY 2023		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,652	0	0%	1,566	0	0%
Male	1,549	0	0%	1,468	0	0%
Female	103	0	0%	98	0	0%
Total Permanent Workers	2,922	743	25%	1,292	810	63%
Male	2,794	743	27%	1,264	810	64%
Female	128	0	0%	28	0	0%

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

### 8. Details of training given to employees and workers:

	FY 2024					FY 2023				
	On Health and safety measures			On Skill upgradation		On Health and safety measures			On Skill upgradation	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,670	653	39%	1433	86%	1573	1294	82%	1475	94%
Female	132	50	38%	109	83%	122	69	57%	102	84%
<b>Total</b>	<b>1,802</b>	<b>703</b>	<b>39%</b>	<b>1542</b>	<b>86%</b>	<b>1695</b>	<b>1363</b>	<b>80%</b>	<b>1577</b>	<b>93%</b>
Worker										
Male	3,517	1,576	45%	1899	54%	3270	1981	61%	1743	53%
Female	188	82	44%	88	47%	259	234	90%	63	24%
<b>Total</b>	<b>3,705</b>	<b>1,658</b>	<b>45%</b>	<b>1987</b>	<b>54%</b>	<b>3529</b>	<b>2215</b>	<b>63%</b>	<b>1806</b>	<b>51%</b>

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.



## Business Responsibility and Sustainability Report

**9. Details of performance and career development reviews of employees and worker:**

We have, global Performance & Goal Management (PMGM) system to support the individual performance as well as the personal and professional development of employees. PMGM involves, setting performance goals for the new year, openly discussing employee's career plans and defining appropriate development goals and actions in dialogs between the managers and the employees. For workers, internal performance appraisal mechanism is in place.

	FY 2024			FY 2023		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,549	1,549	100%	1,468	1,468	100%
Female	103	103	100%	98	98	100%
<b>Total</b>	<b>1,652</b>	<b>1,652</b>	<b>100%</b>	<b>1,566</b>	<b>1,566</b>	<b>100%</b>
Worker						
Male	1,245	1,245	100%	1,264	1,264	100%
Female	25	25	100%	28	28	100%
<b>Total</b>	<b>1,270</b>	<b>1,270</b>	<b>100%</b>	<b>1,292</b>	<b>1,292</b>	<b>100%</b>

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

**10. Health and safety management system:****a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**

Yes

Safety is a fundamental value that takes precedence over all business objectives. At all of our plants, we have Occupational Health Centre (OHC) facilities that are staffed by doctors, nurses, and ambulances that operate around the clock. Our health and safety management systems have been implemented in accordance with the International Standards ISO 45001 (Occupational Health and Safety Management System Standard). The coverage is 100%, and it includes all employees and workers. Following the link of the EnEHS policy of Schaeffler Group available on Public domain, applicable to all the entities of Schaeffler Group. [EnEHS Policy – Group](#)

**b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

We believe that as a responsible organization, it is our duty to prioritise safety in all our operations. It is a critical aspect of our business, and we are committed to instilling a culture of safety across all levels of our organization. We regularly evaluate our safety practices against industry standards to establish a safe and secure workplace for our employees, business partners and contractors, striving to set the benchmark for excellence. On the routine work we have process of Identification of potential work related Risks, Assessment and valuation of risk (HIRA) is done in every risk assessment cycle for all work locations. This risk assessment process is carried out in three stages – to be at local locations across the locations by CFT teams and by engaging third party. Apart from the above process we have following system in place to identify routine and non routine related work.

## Business Responsibility and Sustainability Report

1. Regular inspections of the workplace to identify potential hazards and unsafe practices by TPM check list.
2. EHS walk through by Cross functional team along with top management of the location.
3. Group internal Safety audits, External audits acc to ISO 45001.
4. Near miss reporting systems are implemented across the location for employees working at the shopfloor.
5. Creating regular awareness among employees on occupational safety.

### c) **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes

In addition to implementing safety measures, we encourage our employees and workers to report health and safety violations such as work hazards, near misses, and unsafe acts among others. We have Incidence reporting system in place where employee can report work related hazards.

- Everyday shopfloor management meeting are conducted where employee can report such incidences or possibility of occurrence
- Every plant has a safety officer to whom worker can report such incidence & decide action plan in case of occurrence of such incident.

Also we have group level incident reporting systems, any employee can report such incidents and the same will be addressed in coordination with EHS regional and Central function.

### d) **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes

The employees and workers have access to non-occupational medical and healthcare services. Employees and workers can avail cashless medical claim services from the hospital chains which are covered under group insurance coverage. We are providing health checkups for employees of age 45 and above. Employees are engaged in the mental wellness programmes at offices like yoga, periodic health checkups, regular inspection of workplaces etc. Conducting the health awareness programmes by company medical officers and external doctors on seasonal and lifestyle related diseases etc. Recently we have launched a parenting leave policy which offers expectant parents the opportunity to embrace the joys of parenthood while ensuring smooth transition into their new roles.

Business Responsibility and Sustainability Report

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024	FY 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.86	0.20
	Workers	0.22	0.10
Total recordable work-related injuries	Employees	3.00	1.00
	Workers	2.00	1.00
No. of fatalities	Employees	0.00	0.00
	Workers	0.00	0.00
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0.00	0.00
	Workers	0.00	0.00

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Ensuring safety is our top priority, and to achieve this,

- We have mandatory safety trainings for all our employees and group level E-Learning for Supervisors
- Safety DOJO training is established in all the locations where employees who must work in Gemba will get hands on experience on all he safety aspects
- We engage cross location team and third-party experts to conduct risk assessments where potential occupational risks are assessed, measures against that are defined in advance
- Walkthrough surveys by CFT (cross functional teams) is conducted on regular basis
- Safety committee meetings are conducted on regular basis headed by senior experts in area, to ensure safety practices are evaluated & well executed at workplace
- Various E-learning modules at induction of new joiner, while Training and awareness sessions on regular basis conducted
- Mock drills and fire drills are conducted to face emergency situations
- Corrective and preventive actions based on our safety walk observations and audit rounds are defined. Our systems are continuously monitored to ensure they function properly
- Additionally, we have installed gas detection systems, fire hydrant and detection systems, personal announcement systems, and fire extinguishers in our facilities to ensure safety of worker at workplace
- We have trained ERT team distributed across all the shifts to react during any emergency, and we have defined a crisis management team for managing the crisis centrally.

Business Responsibility and Sustainability Report

13. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	37	0	-	49	3	-
Health & safety	54	0	-	9	0	-

Note: In year 2024 we have taken more concrete steps to keep record of such complaints.

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note: Schaeffler India internal assessment Schaeffler India undergo through strict Internal EHS audit & internal control checks as well.

All our factories are ISO 45001 covering health & safety practices.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

- All safety related accidents are being investigated, Post incident/s route cause analysis being done and documented and outcomes from investigation reports are shared across organization.
- Action plan prepared and corrective action have been taken through safety PDCA with why-why analysis.
- Lessons learnt from the incident are shared across the locations for the horizontal deployment of the corrective actions.
- Hazard identification & risk assessment (HIRA) is conducted for all the machines every year, identified risks are mitigated through plan of action.

## Business Responsibility and Sustainability Report

## Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Employees Yes

Workers Yes

Yes. Our benefits programme follows an integrated approach and provides a range of options to improve financial and social security including notional gratuity, accident insurance & death benevolence to mitigate any unfortunate events.

- In Schaeffler India Limited, employees have death benefit scheme. Under this, in the event of unfortunate demise of employee, beneficiaries receive lump sum amount of 120 months of basic salary +DA last drawn by deceased employee.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Schaeffler India believes in complying all government rules and regulations including the ones governing its supply chain.

In the supplier onboarding process, all the suppliers have signed the SCoC (Schaeffler Code of Conduct) and confirming their responsibility towards such compliance.

At Schaeffler India, we have regular review for GST and applicable Labour law related compliance for service vendors at plants and focusing on it. Additionally, we are also supporting Government agencies for any such proceedings and information sharing.

**3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as Data Needed in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	0	0	0	0
Workers	0	0	0	0

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

No.

Business Responsibility and Sustainability Report

5. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	62%
Working Conditions	62%

Note: The assessment covering majority of purchasing spent were evaluated through Self-Assessment Questionnaire (SAQ) which is designed to indicate and verify supplier compliance on CSR/Sustainability topic including health & safety practices & working conditions, policies, processes, functions, tools and internal controls etc.

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Schaeffler ensures better Health & safety practices and working conditions are followed by value chain partners through execution of the Supplier Code of Conduct document.

Additionally, the health and safety practices as well as the working conditions are assessed through the audits on selected basis: SIA – Supplier Initial Assessment & SSA- Supplier Self-Assessment, Self-Assessment Questionnaire (SAQ) is applicable for registered suppliers (applicable supplier for the year). It covers topics such as Working Conditions, Health and Safety, Business Ethics, Environment, Company Management, Human Rights, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials etc.

Low performers in SAQ is referred to RSCI audit (Responsible Supply Chain Initiative).

During 2024, 2 suppliers had a low SAQ score which were referred to RSCI audit and appropriate measures taken for improvement (One supplier got the RSCI Label, another is under follow-up audit).

## Business Responsibility and Sustainability Report

**PRINCIPLE 4****Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

We have implemented a dynamic and strategic stakeholder engagement process, which includes following steps:

Identification: Wherein we identify key stakeholder groups from a larger universe of all possible stakeholders. Identification of stakeholder is based on their material influence on the Company's ability to create value and vice-versa.

Prioritisation: We prioritise stakeholders based on their ability to influence company's decision-making and their impact on processes and operations. Presently, we have identified key stakeholders, internal viz. employees & external namely investors/shareholders, customers, suppliers and partners, and communities, regulators.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/Shareholders	No	<ul style="list-style-type: none"> <li>Annual/Quarterly results publication in newspaper</li> <li>Annual/Quarterly results intimation via e-mail</li> <li>Annual report</li> <li>Investor and analyst meetings</li> <li>Financial follow-up reports</li> <li>Earnings conference call</li> <li>Shareholders plant visit</li> <li>Quarterly Financials highlights reporting to shareholders</li> <li>Newspaper Notices</li> </ul>	Annually/Half yearly/Quarterly/Others/Event based	Financial performance and business, ESG updates & Strategic priorities, Shareholders meetings
Customers/dealers/distributors	No	<ul style="list-style-type: none"> <li>Publications</li> <li>Media &amp; digital communications</li> <li>Conferences and customer meets/events</li> <li>Personal visits</li> <li>Customer Surveys</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Information about products</li> <li>Product/Service quality and safety</li> <li>Delivery conditions, feedback</li> </ul>

## Business Responsibility and Sustainability Report

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>Employee surveys</li> <li>Idea management</li> <li>Internal media</li> <li>One-on-one meetings</li> <li>Conferences</li> <li>Trainings</li> <li>Workshops</li> <li>Publications</li> <li>Newsletters &amp; reports</li> <li>Online portals Town hall, Open house meetings</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>To inform employees about the organisation's updates, events</li> <li>To create awareness about business, including codes and values</li> <li>To understand employee needs and opinions, feedback</li> </ul>
Suppliers and Vendors	No	<ul style="list-style-type: none"> <li>Contracts/Agreements</li> <li>SOPs</li> <li>Guidelines</li> <li>Training Purchase Orders/Service orders Management meetings</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable sourcing</li> <li>Clear information of terms condition of supply delivery etc.</li> </ul>
Community/Associate partners/NGOs	Yes	<ul style="list-style-type: none"> <li>Community meetings</li> <li>Survey</li> <li>Visits</li> <li>Discussions</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>To empower community and promote community development</li> </ul>
Union/State Government/Local government bodies	No	<ul style="list-style-type: none"> <li>Annual/Quarterly reports</li> <li>E-mail, hard copy letters</li> <li>Meetings, as and when required</li> <li>Communication through portals</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>To comply with regulations</li> <li>To get approvals</li> <li>To keep regulators informed</li> </ul>
Media/Rating Agencies	No	<ul style="list-style-type: none"> <li>Press Media Releases</li> <li>Spokesperson Interviews/media interactions</li> <li>E-mail Media Interactions</li> <li>Company Website</li> <li>Company Social Media Channels</li> </ul>	<ul style="list-style-type: none"> <li>As and when required</li> </ul>	<ul style="list-style-type: none"> <li>To inform and update on company activities, achievements, and developments.</li> <li>The engagement aims to maintain transparency, build public trust, and manage the Company's public image.</li> <li>Key topics include new financial results, product launches, CSR initiatives, and strategic announcements.</li> </ul>



## Business Responsibility and Sustainability Report

## Leadership Indicators

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

- The Executive Leadership Team (ELT) subordinates to the Board of Directors, is responsible for all the matters related to economic, environmental, and social topics along with other organisational issues. They act as a link between the Board & the Stakeholders. The members of ELT update the Board about economic, environmental, and social related topics during the Board/Committee meetings. ELT is responsible to seek feedback, inputs, suggestions from the Board. ELT take initiative on prioritising our strategies, and action plans to address the issues.
- Materiality Assessment is one of the ways of identifying material issues along with ESG issues in consultation with various stakeholders, which is conducted once in two years. This is done through circulating questionnaire among stakeholders to assess and rank the relative importance of selected ESG topics. Outcome of the assessment is to focus about the ESG initiatives and building a comprehensive strategic framework. Schaeffler India conducted materiality analysis in the reporting year 2022 & 2024. This year along with the financial materiality, the impact materiality was also carried out to arrive at the double materiality outcome. The requirements of the Corporate Sustainability

Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) were used as guidance for the assessment methods, with both inside-out and outside-in perspectives analysed.

- We have Board Committees which take care of matters related with different stakeholders including economic, environmental, and social topics & update the Board. Viz. Risk Management Committee, Corporate Social Responsibility Committee, Audit Committee etc.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes

- Schaeffler India conducted a materiality analysis in the reporting year 2024. The requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) were used as guidance for the assessment methods, with both inside-out and outside-in perspectives analysed. In consultation with stakeholders, 21 material issues were identified. After taking feedback from the stakeholders, material topics were prioritised. This helped in formulating time bound ESG strategies, short-term/long-term plans and target settings with a monitoring mechanism.

- Sustainability, ESG related risks, Reputation risk, ESG roadmap, Sustainability Targets including status for 2024 – Long-term commitment with focus on short-term goals, these were some of the topics, which were discussed in Risk Management Committee meetings/Board meetings. The above interventions make the organization agile and vigilant towards the ESG.

E.g. circular economy requirements, Schaeffler India has embarked on the journey of zero waste to landfill, thereby all the wastes are either recycled/reprocessed/co-processed engaging with the authorised vendors.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

Schaeffler India works closely with communities and civil society network to tackle systematic issues that can act as a force multiplier for social transformation and sustainable development. Promoting women social enterprise to bring inclusion of vulnerable groups through Corporate Social Responsibility (CSR) initiatives is a commendable approach adopted by the CSR team. One of such CSR initiatives on skill development, two women enterprises from rural areas have been trained and promoted on sustainable products like jute bags, River Grass products for corporate gifting. Through CSR initiatives, company is providing financial support, mentorship, and capacity-building programmes to women social entrepreneurs. This support can help the enterprises to grow and thrive. Integrating these women enterprises help in promoting economic empowerment and social inclusion.

## Business Responsibility and Sustainability Report

## PRINCIPLE 5

## Businesses should respect and promote human rights

## Essential Indicators

## 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

	FY 2024			FY 2023		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1,652	1,538	93%	1,566	1,566	100%
Other than permanent	150	113	75%	129	129	100%
Total Employees	1,802	1,651	92%	1,695	1,695	100%
<b>Workers</b>						
Permanent	1,270	1,229	97%	1,292	1,292	100%
Other than permanent	2,435	61	3%	2,237	22	1%
Total Workers	3,705	1,290	35%	3,529	1,314	37%

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

## 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024					FY 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	1,652	0	0%	1,652	100%	1,566	0	0%	1,566	100%
Male	1,549	0	0%	1,549	100%	1,468	0	0%	1,468	100%
Female	103	0	0%	103	100%	98	0	0%	98	100%
Other than Permanent	150	0	0%	150	100%	129	0	0%	129	100%
Male	121	0	0%	121	100%	105	0	0%	105	100%
Female	29	0	0%	29	100%	24	0	0%	24	100%
<b>Workers</b>										
Permanent	1,270	0	0%	1,270	100%	1,292	0	0%	1,292	100%
Male	1,245	0	0%	1,245	100%	1,264	0	0%	1,264	100%
Female	25	0	0%	25	100%	28	0	0%	28	100%
Other than Permanent	2,435	0	0%	2,435	100%	2,237	0	0%	2,237	100%
Male	2,272	0	0%	2,272	100%	2,006	0	0%	2,006	100%
Female	163	0	0%	163	100%	231	0	0%	231	100%

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

<sup>1</sup>Figures of workers for year 2023 are restated due to change in methodology.

## Business Responsibility and Sustainability Report

**3. Details of remuneration/salary/wages in the following format:****a) Median remuneration/wages: (in ₹)**

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	7	48,30,000	3	78,35,000
Key Managerial Personnel	2	2,77,27,215	1	1,62,52,404
Employees other than BoD and KMP	1,559	10,42,026	112	6,53,016
Workers	1,889	5,88,612	42	3,49,308

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

**b) Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 24 (%)	FY 23 (%)
Gross wages paid to females as % of total wages	4.00%	3.40%

<sup>1</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes

Regional Compliance Officer is first point of contact for issues regarding Human Rights. E-mail id: [complianceindia@schaeffler.com](mailto:complianceindia@schaeffler.com).

In addition, anyone can send a mail with questions related to Human rights to [humanrights@schaeffler.com](mailto:humanrights@schaeffler.com) OR In case of violation of Human rights, a complaint can be filed via the Schaeffler Whistle Blowing Channel [weo.india@schaeffler.com](mailto:weo.india@schaeffler.com). In addition, at each plant we have Industrial Relations & Admin. Which takes care of Human rights issues at plant level. Also, at company level we have various committees which takes care of Human rights issues E.g. POSH Committee, Townhall meeting by ELT (Executive leadership team).

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Schaeffler Human Rights Policy is applicable to all employees from January 1, 2024 within the Schaeffler Group. The policy defines binding instructions for all employees facilitating the respect for human rights and the prevention of human rights violations in all business activities of Schaeffler, including own organisations and the supply chain.

- An appropriate and effective grievance management mechanism allows for the effective prevention, and remediation of adverse human rights-related impacts caused by company and business activities. Regional Compliance Officer is first point of contact for issues regarding Human Rights. [complianceindia@schaeffler.com](mailto:complianceindia@schaeffler.com).
- In addition, anyone can send a mail with questions related to Human rights: [humanrights@schaeffler.com](mailto:humanrights@schaeffler.com) OR

## Business Responsibility and Sustainability Report

- Both employees and affected rights holders outside the Company have the opportunity to submit information about potential human rights violations through the Schaeffler whistleblower system.
- Complaint can be filed by writing to Incident reporting system anonymously Via Business keeper Monitoring system (BKMS) <https://www.bkms-system.net/>. The system is available in over 20 languages which allows for anonymous, confidential, and specially encrypted, secure communication with the department Forensics & Investigations at Schaeffler.
- This information can be also provided the telephone hotline numbers to report verbally at global level.  
+55 61 35507564 (Portuguese; English, German), +86 10 65997961 (Chinese, English German)  
+49 30 99257146 (German, English, French), +1 213 2791015 (English, Spanish, German).

**6. Number of Complaints on the following made by employees and workers:**

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	There was 1 (One) complaint pending at the beginning of the year 2024, which was resolved in July 2024. The Company received 1 (One) complaint during the year 2024, which was resolved in November 2024.	1	1	The Internal Complaints Committee (ICC) is constituted to redress complaints received regarding sexual harassment. A complaint received in 2022 was investigated in the same year, and the investigation was concluded in 2023, as required by the POSH Act.
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024	FY 2023
Total Complaints Data Needed under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees/workers	0.3%	0.3%
Complaints on POSH upheld	1	1

## Business Responsibility and Sustainability Report

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

There is an online tool where complainant can lodge complaint anonymously <https://www.bkms-system.net/schaeffler>. Complaints lodged on this platform is accessible only to Compliance department.

Also, aggrieved can file complaints to e- mail id: [posh@schaeffler.com](mailto:posh@schaeffler.com). Enquiry is conducted on accused irrespective of complainant. If complainant discloses identity voluntarily and participates in enquiry process, due care is taken by Internal Compliance Committee (includes external member) to follow confidentiality as much as possible. Till such time that enquiry is in process, complainant has option to work from other location (incl work from home). So far, there have been no such instances of adverse consequences to the complainant.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, respect for human rights is an indispensable part of Schaeffler India corporate responsibility and corporate culture. The Company also expects the same of its business partners. For this reason, the Schaeffler Group and thereby Schaeffler India is committed to the UN Guiding Principles on Business and Human Rights, the principles of the UN Global Compact, the general human rights declaration, the initial eight conventions of the International Labor Organization (ILO), and more.

1. We have the Supplier Code of Conduct, which is signed off with all suppliers of Schaeffler India as per Commodity Specific Requirements. This is also required for all new suppliers who are added to the Schaeffler India supplier base. Fundamental Principles of Supplier Code of Conduct include “Respect of Human rights”.
2. Additionally during new supplier selection for all Production Material category, we have specific questions related to Sustainability in the “new supplier selection questionnaire” (SIA – Supplier Initial Assessment). This questionnaire includes Human rights relevant topics. Any new supplier who is added into the supplier base have to fulfil the requirements related to Sustainability.
3. Schaeffler wants its suppliers to adhere to Sustainability Target Agreement (STA) in which sustainability aspects are defined together with business partners, and their development is monitored over the period of this Agreement.

**10. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – Freedom of association	100%

<sup>1</sup>Schaeffler India internal assessment done at 4 plants (assessment is done once in two years).

Business Responsibility and Sustainability Report

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

We have not received such complaints. However, during the investigation following two areas of concern found.

1. During the investigation it was found that some employees were working beyond Permissible working hour. For tracking of excess working hour & to mitigate this issue Digital tool, Online time tracking system was developed. Which will give accurate data of time tracking.
2. Some of the premises was not having proper infrastructure facilities for physically disabled people. Hence action was initiated to basic infrastructure development plan for differently-abled persons for all the states. (refer P5 (L3) for plan details)

<sup>1</sup> Schaeffler India internal assessment done at 4 plants (assessment is done once in two years).

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Schaeffler India has received 1 POSH complaint this year, which was resolved during the year immediately. Schaeffler India have taken a step ahead to make employees more agile & vigilant towards POSH issues. Action initiated to cover 100% workforce to undergo Schaeffler Human Rights Policy & Prevention of Sexual Harassment Act.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Directorate of Industrial Safety and Health carried out their audit including Human Rights & POSH related issues in 2024 and found the plant is in compliance.

Respect for human rights is an integral part of Schaeffler’s culture. In designing its human rights processes, Schaeffler follows recognised standards such as the UN Guiding Principles on Business and Human Rights and the National Action Plan for Human Rights (NAP), complies with current legislation, and incorporates stakeholder requirements Schaeffler thus creates the basis for a comprehensive company-wide human rights due diligence. Human rights due diligence conducted through circulating questionnaire & it has 100% coverage of employees of organization. These efforts are reflected in a large number of measures that encompass the Company’s own organization as well as its purchasing network and business partners. The measures are combined in a systematic management approach: the Human Rights Compliance Management System. The Human Rights Compliance Management System comprises 5 fields of action:

1. Accepting Responsibility
2. Identifying Risks
3. Introducing Effective Measures
4. Informing and Reporting
5. Facilitating Grievances

Schaeffler is committed to the respect of human rights in our own company and in our supply chain. Company strived to protect people from being exploited while doing business in a way that is both profitable and ethical

Business Responsibility and Sustainability Report

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Company recognises importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016, hence taking steps forward to fulfil those requirement. We are also in the process of making our other premises inclusive and accessible. We have initiated basic infrastructure development plan for Diff-abled persons, in all the plants. This plan includes developing following facilities for differently abled persons, includes following:

1. Signages
2. Separate Entry-Exit for punching
3. Elevator, Ramp and Handrails
4. Dedicated Parking
5. Washrooms/Restrooms are few of them

4. Details on assessment of value chain partners:

We have Self-Assessment Questionnaire (SAQ), which is applicable for overall supplier - as per group guideline & implemented in a phased manner.

It covers the Human rights related topics. Viz: Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	62%
Discrimination at workplace	62%
Child labour	62%
Forced/involuntary labour	62%
Wages	62%
Others (Ethical recruiting, Working hours, Freedom of association and collective bargaining, Women's Rights, Diversity, equity, and inclusion, Rights of minorities and indigenous peoples, Land, forest and water rights and forced eviction, Use of private or public security forces)	62%

Note: The assessment covering purchasing spent were evaluated using social and environmental criteria through Self-Assessment Questionnaire (SAQ).

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

During the year 2024, the assessment conducted basis of majority of purchase spent. These suppliers were evaluated using social and environmental criteria through Self-Assessment Questionnaire (SAQ). Low performers in SAQ are referred to RSCI audit (Responsible Supply Chain Initiative). During 2024, 2 suppliers had a low SAQ score which referred to RSCI audit and appropriate measures taken for improvement (One supplier got the RSCI Label, other is under follow-up audit). We are working closely with the suppliers on improving their sustainability rating through improvement action.

## Business Responsibility and Sustainability Report

### PRINCIPLE 6

## Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024	FY 2023 <sup>3</sup>
From renewable sources		
Total electricity consumption (A)(MJ)	15,38,05,840.2	12,63,22,880.4
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)(MJ)	15,38,05,840.2	12,63,22,880.4
From non-renewable sources		
Total electricity consumption (D)(MJ)	26,06,80,074.0	27,69,78,795.3
Total fuel consumption (E)(MJ)	12,25,20,468.0	11,65,54,115.0
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from renewable sources (D+E+F)(MJ)	38,32,00,542.0	39,35,32,910.3
Total energy consumed (A+B+C+D+E+F)(MJ)	53,70,06,382.2	519855790.7
% of energy consumed from renewable sources (Energy consumed through renewable sources (MJ)/total energy consumed (MJ))	29%	24%
Energy intensity per rupee of turnover (Total energy consumed (MJ)/Revenue from operations (₹))	0.01	0.01
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed (MJ)/Revenue from operations adjusted for PPP (US\$) <sup>1</sup>	0.1	0.1
Energy intensity in terms of physical output (Total energy consumed (MJ)/physical output (number))	1.4	1.4
Energy intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/S BSI Ltd. M/s KPMG, Ms. EMAS and Ms. Intelnica	

<sup>1</sup>The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 is 20.29 & for the year 2023 is 20.20 by [International Monetary Fund](#).

<sup>3</sup>Numbers for year 2023 are restated due to change in accounting methodology and unit of measurement.

Following Fuel consumption types are included,

- Fuel consumed in company owned vehicle &
- Fuel cost reimbursed to employees.



## Business Responsibility and Sustainability Report

### 2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

No, the entity doesn't have any site or facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) scheme of the Government of India.

### 3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024 <sup>3</sup>	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	1,30,726.0	98,878.0
(iii) Third party water	1,78,165.9	1,55,264.9
(iv) Seawater/desalinated water	Nil	Nil
(v) Others <sup>2</sup>	696.0	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,09,587.9	2,54,142.9
Total volume of water consumption (in kilolitres)	2,14,211.9	1,74,081.9
Water intensity per rupee of turnover (Total Water consumed (KL)/Revenue from operations (₹))	0.000003	0.000002
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption (KL)/Revenue from operations adjusted for PPP (US\$)) <sup>1</sup>	0.00005	0.00005
Water intensity in terms of physical output (Total Water consumed (KL)/Physical output (number))	0.0006	0.0005
Water intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/S BSI Ltd. M/s KPMG, Ms. EMAS and Ms. Intechnica	

<sup>1</sup>The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 is 20.29 & for the year 2023 is 20.20 by [International Monetary Fund](#).

<sup>2</sup>In CY2024, Corporate, Regional & sales offices' water consumption data is added.

<sup>3</sup>Other includes rainwater harvested from Hosur.

## Business Responsibility and Sustainability Report

### 4. Provide the following details related to water discharged:

Parameter	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0.0	0.0
With treatment – please specify level of treatment	0.0	0.0
(ii) To Groundwater		
No treatment	0.0	0.0
With treatment – please specify level of treatment	0.0	0.0
(iii) To Seawater		
No treatment	0.0	0.0
With treatment – please specify level of treatment	0.0	0.0
(iv) Sent to third-parties		
No treatment	0.0	0.0
With treatment –Primary, secondary & tertiary treatment	95,376.0	80,061.0
(v) Others		
No treatment	0.0	0.0
With treatment – please specify level of treatment	0.0	0.0
Total water discharged (in kilolitres)	95,376.0	80,061.0
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

Treated water is used in gardening, green belt development as per the consent condition in Talegaon, Savli & Hosur plant. Hence total value from this is not accounted in above table.

As per the consent conditions, treated water is partially discharged in the sewers in Maneja plant. This value is reflected in the above table.

### 5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes

Three out of the four locations, Talegaon (Pune), Savli (Vadodara) and Hosur are zero discharge plants where the treated water is reused for processes, gardening, etc. At Maneja (Vadodara), wastewater after treatment is partially discharged to the sewage drain which leads to a common effluent treatment facility. Efforts have been made to recover and reuse the treated water back into the facility for gardening. We Implemented reuse of the STP Treated water at noncontact washroom points and Re-use of RO Reject to reduce freshwater consumption.

## Business Responsibility and Sustainability Report

### 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit <sup>1</sup>	FY 2024	FY 2023
NOx	Metric tonnes	6.4	6.2
SOx	Metric tonnes	0.5	0.5
Particulate matter (PM)	Metric tonnes	12.2	12.2
Persistent organic pollutants (POP)	Metric tonnes	Not available	Not available
Volatile organic compounds (VOC)	Metric tonnes	16.5	13.9
Hazardous air pollutants (HAP)	Metric tonnes	Not available	Not available
Others – please specify	Metric tonnes	Nil	Nil
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		Yes, Ms. EMAS and Ms. Intechnica	Yes, Ms. EMAS and Ms. Intechnica

### 7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2024 <sup>4</sup>	FY 2023 <sup>3</sup>
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	8,886.1	8,864.4
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) <sup>2</sup>	tCO <sub>2</sub> e	0.0	55,088.0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 emissions (tCO <sub>2</sub> e)/Revenue from operations (₹))	tCO <sub>2</sub> e/₹	0.0000001	0.0000009
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 emissions (tCO <sub>2</sub> e)/Revenue from operations adjusted for PPP (US\$)) <sup>1</sup>	tCO <sub>2</sub> e/US\$	0.000002	0.000018
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and 2 emissions (tCO <sub>2</sub> e)/total physical output (number))	tCO <sub>2</sub> e/number	0.00002	0.00018
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Units	Not applicable	Not applicable
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		Yes, M/S BSI Ltd. M/s KPMG, Ms. EMAS and Ms. Intechnica	

<sup>1</sup>The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2024 is 20.29 & for the year 2023 is 20.20 by [International Monetary Fund](#) (IMF).

<sup>2</sup>Scope 2 emission for year 2024 is zero on account of usage of renewable energy & also company purchased International Renewable energy certificates (IREC) to compensate existing emissions.

<sup>3</sup>In year 2023, scope 1 emission values have been restated considering refrigerant consumption in GHG calculation. Scope 2 emission is restated due to change in emission factor (India specific Emission factor considered).

<sup>4</sup>In CY 2024, Corporate, regional & sales offices' emissions have been included.

Emission factors used for fuels & refrigerants are sourced from [IPCC- GHG protocol](#)

## Business Responsibility and Sustainability Report

### 8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes

Schaeffler India has implemented energy efficiency programmes to reduce energy consumption, resulting in lower emissions and cost savings. Our initiatives on energy efficiency includes Old Chiller replacement, Nova Machine Motor Replacement, Replacement of old Compressors, Bell furnace cover installation to save waste heat due to radiation, reduce air pressure in Jupitormachine, Barrel Heater Jacket Installation on IMD Machine, Exchange Broach Hydraulic motor.

Schaeffler India has achieved 100% renewable energy in year 2024 by purchase of iRECs, through power purchase agreements and installation of rooftop solar panels in plants.

Additionally Schaeffler India has taken concrete measures on reducing the scope1 emission by alternate fuels and converting the conventional type furnaces into modern or electric furnaces to reduce 90% of emissions. The CO<sub>2</sub> emission which cannot be reduced will be adjusted by doing carbon offset programme. For details Please refer: Annexure E to directors report: Conservation of energy.

### 9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024	FY 2023 <sup>1</sup>
Total Waste generated (in metric tonnes)		
Plastic waste (A)	316.5	306.5
E-waste (B)	2.8	0.6
Bio-medical waste (C)	0.05	0.19
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	11.9	1.5
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	1,084.8	1,148.0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) <sup>2</sup>	29,937.2	26,154.0
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>31,353.2</b>	<b>27,610.8</b>
Waste intensity per rupee of turnover (Total waste generated (MT)/Revenue from operations (₹))	0.0000004	0.0000004
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated (MT)/Revenue from operations adjusted for PPP (US\$))	0.000008	0.000008
Waste intensity in terms of physical output (Total waste generated (MT)/physical output (number))	0.00008	0.00008
Waste intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	30,401.5	26,649.4
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>30,401.5</b>	<b>26,649.4</b>

Business Responsibility and Sustainability Report

Parameter	FY 2024	FY 2023 <sup>1</sup>
Waste intensity (MT of Waste Recycled Recovered/Total Waste generated)	97%	97%
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	315.9	335.3
(ii) Landfilling	137.1	156.5
(iii) Other disposal operations	Nil	Nil
(iv) Waste sent for co processing	492.1	447.9
<b>Total</b>	<b>945.2</b>	<b>939.8</b>
Waste intensity (MT of Waste disposal/Total Waste generated)	3%	3%
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, M/S BSI Ltd. M/s KPMG, Ms. EMAS and Ms. Intechnica	

<sup>1</sup>For year 2023 waste figures are restated due to better accounting practices.

<sup>2</sup>The major portion of Non – hazardous waste about 82% constitute of metal scrap & castings, which is sent back to steel industry & foundries for recycling.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Schaeffler India has adopted the group EnEHS policy where it states, In principle, the generation of waste should be avoided. The quantities of waste generated must be kept as low as possible and further reduced (e.g. by adapting behaviour or production technologies). If waste cannot be avoided or further reduced, it must be separated in accordance with local legislation and handed over to recycling and disposal companies in the following descending order of priority: Reprocessing, material recovery (recycling), thermal recovery (incineration) and disposal.

Non - hazardous waste constitute mainly of MS scrap & castings is sent back to steel mills & foundries for recycling. Other non-hazardous wastes generated are wood, cartons, paper, gunny bags, plastic wastes and maintenance scraps. Schaeffler India has recycled 30253 MT waste in CY 2024.

Schaeffler India has executed the agreement for preprocessing & coprocessing of the Hazardous waste – ETP Sludge & Grinding sludge with the authorised parties and sent 642 Tonnes of hazardous waste for co-processing in Cement plants.

For the chemicals and substances used in Schaeffler India plants, control system called BAFF, a substance control system which allows only approved substances for controlling the procurement of non-standard and highly toxic chemicals. Schaeffler in the design stage itself considers optimising the design of the product and process in coordination with the Tooling department to reduce the waste generated during production. Register of declarable substance is maintained and compliance with REaCh and RoHS standards achieved.

## Business Responsibility and Sustainability Report

- 11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
The Company has no operations or offices in or around ecologically sensitive areas.			

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
Not Applicable. As no projects were undertaken by the Company that required to carry out Environmental Impact Assessment				

- 13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes. We have complied with all applicable laws, regulations and guidelines				
Sl. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

## Leadership Indicators

- 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

Schaeffler India operations are not falling under any water stressed areas.

**(i) Name of the area**

Schaeffler India operations are not falling under any water stressed areas.

**(ii) Nature of operations**

Schaeffler India operations are not falling under any water stressed areas.

**(iii) Water withdrawal, consumption and discharge in the following format:**

Schaeffler India operations are not falling under any water stressed areas. Hence not applicable.

## Business Responsibility and Sustainability Report

### 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024	FY 2023
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	325,267.5	359,006.3
Total Scope 3 emissions per rupee of turnover (Total Scope3 GHG emissions (tCO <sub>2</sub> e)/Revenue from operations (₹))	Units	0.000004	0.000005
Total Scope 3 emission intensity (in terms of physical output) – (Total Scope3 emissions (tCO <sub>2</sub> e)/total physical output (number))	Units	0.000851	0.000994
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency		Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	

Note: Upstream Scope 3.1: Purchase of goods and services has been evaluated.

### 3. With respect to the ecologically sensitive areas Data Needed at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Even though our operations are not situated in ecologically sensitive areas, we make a conscious effort to conserve and sustain local biodiversity around our operations. E.g. Green belt development to increase the biodiversity within the premises, lake development activities in the villages surrounding the plant.

### 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Renewable Energy	Purchased iRECs	Renewable energy sources consist of RE from PPA & generation from internal Solar Photovoltaic (PV). To offset emissions from the grey power, International Renewable Energy Certificates (iRECs) have been purchased.
2.	Energy Efficiency	Old Chiller replacement, Nova Machine Motor Replacement, Replacement of old Compressors, Bell furnace cover installation to save waste heat due to radiation, reduce air pressure in Jupitormachine, Barrel Heater Jacket Installation on IMD Machine, Exchange Broach Hydraulic motor	0.91 GWh savings achieved
3.	Fresh water withdrawal	Generation of process DM water using Treated STP water, Reduce water consumption of cooling tower by reducing daily blow-down water quantity, Treated water reuse in de-oiler & poly dosing tank	14,782 m <sup>3</sup> achieved
4.	Zero Waste to landfill	Hazardous waste sent for Co-Processing	642 tonnes of Hazardous waste sent for Co-proceession material to cement industry

Business Responsibility and Sustainability Report

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.

Yes, Schaeffler India has Business Continuity, contingency and crisis management policy, where its primary objective is to provide basic regulations for Business Continuity, in particular for Contingency Management with focus on hazard prevention and maintaining customer supply, and for Crisis Management. All employees within the scope of the policy are required to follow it. Schaeffler India has established several escalation stages, which are disruption, emergency, emergency with crisis potential, local/regional crisis, and crisis. It is mandatory to report any situation that does not meet the criteria of these stages. The purpose of having a plan is to develop a more proactive, comprehensive, and integrated approach to strengthen our ability to prepare for, mitigate, and respond to disasters that may occur. We have the highest standards of IT security and systems. We also have a robust information technology disaster recovery plan in conjunction with the business continuity plan. We follow our Schaeffler procedure “Contingency Management with Focus on the Ability to Supply” available in the Management Handbook (Internal document). Our procedure specifies what production and distribution at the site as well as relevant support/service functions must do to be able to continue customer supply in the event of resource outages or other defined situations with emergency potential. This Group procedure (P) regulates the technical, organisational, environmental and safety-oriented measures and the responsible areas/departments for preventing hazards to persons and equipment and ensuring that contact with the customer is maintained and the customer is supplied with goods and services even in contingency situations. In addition we have Risk management system in place where we report potential risk with valuation criteria and also action plan is defined to mitigate those risk.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As a responsible organization Schaeffler India has an ambitious target of becoming climate neutral in the supply chain (upstream - Scope 3) by 2040.

We have taken various measure to mitigate and reduce the impact on the environment such as:

- Sustainable supply chain with 62% of suppliers have been evaluated on SAQ,
- Reduction of the emission by optimising the transportation by implementing the CDC’s (consolidated distribution centre-warehouse)
- Schaeffler India is working with customers to implement returnable packaging to reduce the packaging wastes.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We have assessed 62% of our production material suppliers through Schaeffler Self-Assessment Questionnaire (SAQ). SAQ covering various aspects such as environmental impacts and certifications. Schaeffler encouraging all suppliers for better environmental practices through ISO 14001 certifications.

No. of value chain partners that were assessed	% of value chain partners (by value of business done with such partners) that were assessed	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard
193	62%	No negative environmental impacts on its value chain



## Business Responsibility and Sustainability Report

**PRINCIPLE 7**

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**Essential Indicators****1. a) Number of affiliations with trade and industry chambers/associations**

Schaeffler India Limited has 7 affiliations with trade and industry chambers/associations.

**b) List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	The Automotive Component Manufacturers Association of India (ACMA)	National
2.	The Confederation of Indian Industry (CII)	National
3.	Indo-German Chamber of Commerce (IGCC)	National
4.	Employers Federation of India at Chennai	State
5.	Hosur Industries Association	State
6.	Federation of Gujarat Industries	State
7.	Gujarat Chamber of Commerce & Industry	State

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Sl. No.	Name of Authority	Brief of the case	Corrective action taken
Nil	Nil	Nil	Nil

During the current financial year, Company did not receive any adverse orders from regulatory authorities regarding anti-competitive conduct. As a result, there is no corrective action required or underway.

## Business Responsibility and Sustainability Report

### Leadership Indicators

#### 1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web-link, if available
1.	BIS Technical Committee PGD13- The First Revision of IS 4216 -Cages for Needle Roller Bearings Specification	As a committee member, Schaeffler India was assigned to review this Indian standard. After evaluating the standard for global changes, Schaeffler India recommended the committee to reaffirm the standard	The p-draft will be available in public domain when BIS publishes as Wide Circulation draft for comments by Indian public. It is usually available in BIS portal ( <a href="https://www.bis.gov.in/">https://www.bis.gov.in/</a> ) with user log in. When the IS standard goes for final print, the same is notified in "The Gazette of India".		Not available
2.	BIS Technical Committee PGD13- Major amendment of IS 4773:2023: Rolling Bearings — Plummer Block Housings — Boundary Dimensions. IS 6457: 2024: SINGLE ROW CYLINDRICAL ROLLER BEARINGS — SPECIFICATION	Schaeffler India is the primary drafter of the new version of IS 4773, year 2023 in 2024, Schaeffler India again revised the technical draft after comments from the committee members	The p-draft will be available in public domain when BIS publishes as Wide Circulation draft for comments by Indian public. It is usually available in BIS portal ( <a href="https://www.bis.gov.in/">https://www.bis.gov.in/</a> ) with user log in. When the IS standard goes for final print, the same is notified in "The Gazette of India".		Not available
3.	BIS Technical Committee PGD13- Major amendment of IS 6457: 2024: SINGLE ROW CYLINDRICAL ROLLER BEARINGS — SPECIFICATION	Schaeffler India was the primary drafter of the new version of IS 6457, year 2023. We created a new technical draft that was reviewed by other members of the BIS PGD13 committee. In 2024 Schaeffler India again revised based comments	The revision of the IS 6457:2024 was wide circulated and finally notified through the "The Gazette of India" # CG-DL-E-16082024-256401		<a href="https://www.services.bis.gov.in/php/BIS_2.0/bisconnect/knowyourstandards/Indian_standards/isdetails_mnd/31689">https://www.services.bis.gov.in/php/BIS_2.0/bisconnect/knowyourstandards/Indian_standards/isdetails_mnd/31689</a>
4.	BIS Technical Committee PGD13- Major amendment of IS 3090:2023 INSTALLATION AND MAINTENANCE OF ROLLING BEARINGS — CODE OF PRACTICE	We contributed in re-drafting the standard IS 3090:2023 and in 2024 final revision	The p-draft will be available in public domain when BIS publishes as Wide Circulation draft for comments by Indian public. It is usually available in BIS portal ( <a href="https://www.bis.gov.in/">https://www.bis.gov.in/</a> ) with user log in. When the IS standard goes for final print, the same is notified in "The Gazette of India".		
	BIS Technical Committee MTD16 – amendment of IS17111 -Heat - Treated steels, alloy steels and free - Cutting steels - Ball and roller bearing steels	Schaeffler contributed in recommending addition of new material grade in the standard. This is pending within the MTD16 committee The IS17111-2019 was indeed reaffirmed as IS17111-2024	No		

## Business Responsibility and Sustainability Report

**PRINCIPLE 8****Businesses should promote inclusive growth and equitable development****Essential Indicators****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

According to applicable laws, SIA (Social Impact Assessment) is not required for any of the projects undertaken by us. However, as a part of our commitment to giving back to society, the Company assesses the need and evaluates the impact of major CSR projects. The impact assessment of CSR projects is aligned as per CSR Rules of 2014.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link	Relevant Web-link
Not applicable						

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

We have not undertaken any new projects that requires Rehabilitation and Resettlement (R&R). Most of our plants and projects are operating on a land which is part of industrial development corporation.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable					

**3. Describe the mechanisms to receive and redress grievances of the community.**

We are committed towards community development not only around plant sites but also other areas. We are also involved in redressing their grievances and concerns. We maintain open registers at all our locations, in which community stakeholder groups can voice their concerns. Additionally the CSR team of the organization, through its implementing agencies (NGOs) engages with the community members. The concerns are discussed and addressed through the elected members of Panchayats, other bodies and consequently a formal application of the concerns is submitted to Schaeffler India.

Our grievance redressal mechanisms include

- open registers available at all our plant locations,
- channels through implementing agencies and NGOs,
- the option to send physical letters, and
- contact numbers/e-mail id listed given on website: <https://www.schaeffler.co.in/en/meta/contact/>

Business Responsibility and Sustainability Report

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024	FY 2023
Directly sourced from MSMEs/small producers	20.0%	17.8%
Directly from within India	85.0%	86.4%

Note: Figures for FY 2023 are revised due to change in methodology of computation

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.

Location	FY 2024	FY 2023
Rural	57.8%	57.8%
Semi-urban	0.05%	0.05%
Urban	23.3%	23.2%
Metropolitant	18.9%	18.9%

(Place categorized done as per RBI Classification System - rural/semi-urban/urban/metropolitan) :Home | Government of India (<https://censusindia.gov.in/census.website/>)

<sup>1</sup>For calculation we are considering total number employees & workers reported in ‘Section A’ IV.a

<sup>2</sup>In the above Snapshot we have not considered allied services like Canteen, Housekeeping, Security, Transportation, construction workers etc.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

According to applicable laws, SIA (Social Impact Assessment) is not required for any of the projects undertaken by us during FY 2023.

Details of negative social impact identified	Corrective action taken
	Not applicable

## Business Responsibility and Sustainability Report

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District <sup>1</sup> / Aspirational Blocks <sup>2</sup>	Amount spent (in ₹ Million)
1.	Gujarat	Narmada	14.6
2.	Madhya Pradesh	Chhatarpur	30.5
3.	Maharashtra	Surgana (Nashik)	27.4

<sup>1</sup> 1. out of 112 aspirational districts notified by NITI Aayog (Sl. No. 36 as per list).

2. out of 112 aspirational districts notified by NITI Aayog (Sl. No. 63 as per list).

<sup>2</sup> 3. The Aspirational Blocks Programme (ABP) is based on Aspirational District Programme focuses on the development of the 500 most backward blocks of the country.(Sl. No. 276 as per list of Aspirational Blocks).

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)**

No. Our suppliers are selected based on their performance on various parameters and standards including cost, quality, delivery, technology, and sustainability. Before being awarded a project, all suppliers must comply with the established sourcing guidelines. Also, we work with MSME suppliers to further on technical (technology aspects) and quality upgradation.

**(b) From which marginalised/vulnerable groups do you procure?**

Not applicable as answer to above question (a) is “No”.

**(c) What percentage of total procurement (by value) does it constitute?**

Not applicable as answer to above question (a) is “No”.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sl. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1.	Nil	Nil	Nil	Nil

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not applicable, as there are no adverse orders in intellectual property related disputes wherein the usage of traditional knowledge was involved.

Name of authority	Brief of the Case	Corrective action taken
Nil	Nil	Nil

## Business Responsibility and Sustainability Report

### 6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1.	Women Skill Development Project	200	100%
2.	Schaeffler India HOPE Engineering Scholarship Programme	95	100%
3.	Schaeffler Skill Development Center - Hosur, Phase II	310	67%
4.	Watershed Project Hosur (Jal Sanghamam)	5,383	100%
5.	Mobile Science Lab – Vadodara	5,660	100%
6.	Nitara project: Promoting livelihood for women and differently abled	105	100%
7.	Lok Vidhyalaya:providing holistic quality educational support - Phase II	554	100%
8.	Support to Mook Dhvani School - Phase II	196	100%
9.	Mobile Health Unit Phase II – Vadodara	30,640	74%
10.	Jal Jeevika - Watershed Project	4,254	100%
11.	Quest On Wheels - Heritage & Educational Trips	2,378	100%
12.	STEP Vadodara	305	100%
13.	Schaeffler Skill Development Center (STEP Center) – Pune	209	79%
14.	Energy-Efficient Cookstove Project	38,866	100%
15.	Mobile Health Unit – Talegaon	13,891	94%
16.	Wadi - Agro Horti Forestry Project	2,400	100%
17.	Pre-Vocational Education Programme in Govt. Schools	1,985	100%
18.	Mobile Science Lab – Hosur	5,641	100%
19.	Mobile Health Unit – Hosur	5,003	100%
20.	Community Development Project	119	100%
21.	Disaster Relief	600	100%
22.	Schaeffler Social Innovation Fellowship Programme	10	-

## Business Responsibility and Sustainability Report

**PRINCIPLE 9**

## Businesses should engage with and provide value to their consumers in a responsible manner

**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

We, at Schaeffler India, have a robust mechanism in place for tracking and responding to customer complaints.

- Our Schaeffler Global Handbook procedure outlines a detailed process for receiving and addressing customer complaints and feedback.
- The entire complaint management system is managed through SAP IQOS identifying the entire process including the countermeasures required to address the complaints or feedback received.
- Customer concerns or complaints are addressed by Key Account contact manager for the respective key account.
- For other regional accounts, concerns or complaints are first handled by Sales Head of the respective business unit and it is escalated to the necessary function (Quality, Delivery etc.)

Note:<sup>1</sup> Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final product which will be sold to consumer. So, for Schaeffler India Limited consumers are these OEM companies i.e. customers and has limited scope to directly reach to consumer.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover	
Environmental and social parameters relevant to the product	100%	We follow the Legal Metrology (Packaged Commodities Rules) 2011 guidelines for product labelling. REACH, IMDS guidelines are followed 100% to ensure that products meet regulation for restricted & hazardous elements.
Safe and responsible usage	100%	All products are designed and manufactured in accordance with Schaeffler internal product safety guidelines. "Recyclable" symbol is printed on the outer packaging of the product.
Recycling and/or safe disposal	100%	All our products are in accordance with the Global Material Governance Standards and we adhere to the particular threshold of restricted elements to ensure we do not exceed it. We are in accordance with IMDS (International Material Data System) which is a globally accepted system for declaring the safe usage and disposal of parts.

**3. Number of consumer complaints in respect of the following:**

	FY 2024		Remarks	FY 2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-

## Business Responsibility and Sustainability Report

	FY 2024		Remarks	FY 2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	46 <sup>1</sup>	Nil <sup>2</sup>	<sup>1</sup> - Considered all justified zero km(AF) complaints for the year <sup>2</sup> - Number of complaints not closed more than 6 months (AF justified)	78	Nil	-

### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

### 5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes

Cyber security is not just anchored in one area at Schaeffler but extends across several functions. We have robust and effective cyber security procedures laid out by group. We follow the group policies on cyber security and data privacy. We are governed by Code of conduct which ensure, “Protection of personal data”. We are committed to protecting the data of our customers and employees. We have a privacy policy at group level to which we adhere to. It is available on company website at <https://www.schaeffler.co.in/en/meta/privacy-policy/>. In addition we have internal information and cyber security policy. Additionally, we have an internal framework in place to address cybersecurity and risks related to data privacy. This policy helps to meet legal and normative requirements on information security and data protection, as well as the requirements of our customers. To ensure compliance with these requirements, regular risk assessments and effectiveness controls are carried out in the form of internal and external information security assessments.

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

There were no such instances occurred during the reporting year

### 7 Provide the following information relating to data breaches:

#### a) Number of instances of data breaches.

Nil, there were no instances of reportable data breaches.

#### b) Percentage of data breaches involving personally identifiable information of customer.

Nil, there were no instances of reportable data breaches.

#### c) Impact, if any, of the data breaches.

NA, as answers to above question is nil.



## Business Responsibility and Sustainability Report

## Leadership Indicators

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).**

Information regarding products is available in the Products & solutions section of our website: <https://www.schaeffler.co.in/en/products-and-solutions/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

- Based on customer request our Application and Technical Service Team regularly visits and makes customer team aware on safe and responsible usage. From our side also we regularly seek customer permission to present Technical Seminars which cover various aspects including the product Safety and user safety.
- Also we are regularly conducting customer meets where all the customers of a region are invited and such knowledge on safety as well as queries are handled.
- We educate our consumers on fitment guidelines to ensure safe usage of our product parts. All the specifications and information on safe and responsible usage of our products is made available in the product catalogue
- SPOCs (Special point of contacts) have been defined for each customer. More details about our products and services can be found on the following link: <https://www.schaeffler.co.in/en/products-and-solutions/>

Note: Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final product which will be sold to consumer. So, for Schaeffler India Limited consumers are these OEM companies i.e. customers and has limited scope to directly reach to consumer.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

We follow procedure “Contingency Management with Focus on the Ability to Supply” available in the Management Handbook (Internal document). Procedure specifies what production and distribution at the site as well as relevant support/service functions must do to be able to continue customer supply in the event of resource outages or other defined situations with emergency potential. This Group procedure (P) regulates the technical, organisational, environmental and safety-oriented measures and the responsible areas/departments for preventing hazards to persons and equipment and ensuring that contact with the customer is maintained and the customer is supplied with goods and services even in contingency situations. In case of any risk with respect to product delivery to customer (Force majeure) customers are notified in advance as per the agreed terms, through mails, calls, distribution network & sales representatives for any disruption in services.

Manufacturing plant would usually inform the Product Management Team of any such disruption. Accordingly, the customers who are likely to be impacted are identified and a formal communication informing them of the risk/disruption is done along with recovery measures (if any are identified at that point). We also maintain sufficient safety stock in our warehouses to cater to contingencies and are able to inform customers in advance in case of any unforeseen risks like supply chain disruptions etc. So we have robust process to deal with contingent situation so as to avoid risk of disruption/discontinuation of essential services to customer.

Note: Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final product which will be sold to consumer. So, for Schaeffler India Limited consumers are these OEM companies i.e. customers and has limited scope to directly reach to consumer.

## Business Responsibility and Sustainability Report

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes.

We do display information on the product over and above what is mandated as per law. As an example, based on customer request, we do provide a Unique Identification number on selected product type, which allows us to trace back the manufacturing & assembly details of products. More details about our products and services can be found on the following link: <https://www.schaeffler.co.in/en/products-and-solutions/>.

We Conduct customer surveys to gauge consumer satisfaction with respect to major products, significant locations of operation, or the entity as a whole once in two years. (We have conducted this survey recently in year 2023). Feedback output is analysed, discussed, based on that we define our strategy to resolve issues if any. E.g. In survey if we find customer dissatisfaction about delivery terms, we find who all the customer who raised concern about delivery. We work upon how we can improve & measures are implemented accordingly.

Note: Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final product which will be sold to consumer. So, for Schaeffler India Limited consumers are these OEM companies i.e. customers and has limited scope to directly reach to consumer.

# Independent Assurance Opinion Statement



## INDEPENDENT ASSURANCE OPINION STATEMENT

To the Directors of Schaeffler India Limited (SIL)

Holds Statement No.: **BSIV 822696**

### Introduction

The **British Standards Institution (BSI)** has been engaged by **Schaeffler India Limited (SIL)** to provide an independent reasonable assurance of the sustainability information (described in the "Scope") included in the Business Responsibility and Sustainability Report (BRSR) for the period January 1, 2024 to December 31, 2024 (CY 2024).

### Scope

The scope of engagement agreed upon with SIL includes the following:

The independent reasonable assurance covers sustainability information pertaining to BRSR-Core, Key Performance Indicators (KPIs) in accordance with Annexure-I of the Securities and Exchange Board of India (SEBI) vide Circular-number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12<sup>th</sup> July 2023.

This sustainability information is included in the SIL's BRSR for the period January 1, 2024 to December 31, 2024 (CY 2024).

BSI has performed a reasonable assurance engagement on whether the SIL's disclosures in the BRSR-Core are fairly presented, in all material respects in accordance with the reporting criteria (refer table below).

Sustainability information subject to reasonable assurance	Period subject to assurance	Reporting criteria
BRSR Core (Refer Annexure I of SEBI vide Circular number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated July 12, 2023)	January 1, 2024 to December 31, 2024	<ul style="list-style-type: none"><li>Regulation 34(2)(f) of SEBI's Listing Obligations and Disclosure Requirements (SEBI LODR)</li><li>BRSR Core - Framework for assurance and ESG disclosures for value chain (SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated July 12, 2023)</li><li>Guidance Note for Business Responsibility &amp; Sustainability Reporting Format issued by SEBI (Annexure II - SEBI/HO/CFD/CMD-2/P/CIR/2021/562)</li></ul>

The independent reasonable assurance covers the following BRSR Core KPIs which are included in SIL's BRSR report for CY 2024:  
(*'P'* represents the 9 Principles of the National Guidelines for Responsible Business Conduct (NGRBC) / *'E'* represents Essential Indicators, within each Principle in the BRSR Format)

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- Green-house gas (GHG) footprint – P6:E7
- Water footprint – P6:E3 and P6:E4
- Energy footprint – P6:E1
- Embracing circularity – P6:E9
- Enhancing employee wellbeing and safety – P3:E1(c) and P3:E11
- Enabling gender diversity in business - P5:E3(b) and P5:E7
- Enabling inclusive development - P8:E4 and P8:E5
- Fairness in engaging with customers and suppliers - P9:E7 and P1:E8
- Open-ness of business - P1:E9

[The details of subject matters and their boundaries within the scope is described in Appendix A and Appendix B in this independent assurance opinion statement].

### Opinion Statement

We have conducted a reasonable assurance engagement covering the sustainability information pertaining to BRSR Core KPIs for the period January 1, 2024 to December 31, 2024 (CY 2024), covering disclosures on Green-house gas (GHG) footprint, water footprint, energy footprint, embracing circularity, enhancing employee wellbeing and safety, enabling gender diversity in business, enabling inclusive development, fairness in engaging with customers and suppliers, open-ness of business.

In our opinion, the accompanying sustainability information is fairly presented, in all material respects, in accordance with the reporting criteria stated above.

### Methodology

Our assurance engagement was carried out in accordance with ISAE3000 (Revised) assurance standard following the principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- Discussion with managers and staff in SIL involved in sustainability-management, BRSR-report preparation, provision of data & information, implementation of controls, etc were carried out
- Document review of relevant systems, policies, controls and procedures where available
- Review of supporting evidence for claims made in the reports
- Visit of the 3 major factories and the Corporate Office of SIL to confirm the data collection processes, record management practices, and check evidence physically
- A sample-based assessment of the reliability and quality of information covered as part of the BRSR Core KPIs with samples considered based on criticality of data points in line with requirements of Reasonable Assurance

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## Independent Assurance Opinion Statement



- Excluded the new factory construction site near Bengaluru from scope of Attributes & Indicators like P9:E7, P8:E5, P5:E3 (b), P3:E11, P3:E1 (c), P6:E9, P6:E7, P6:E4, P6:E3, P6:E1

### Responsibility

SIL is responsible for the preparation and fair presentation of the sustainability information described in the "Scope" above in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders of SIL, giving our professional opinion based on the scope and methodology described.

### Independence, Quality Control and Competence

BSI is independent to SIL and has no financial interest in the operation of SIL other than for the assurance of the sustainability statement contained in the Business Responsibility and Sustainability Report.

This independent assurance opinion statement has been prepared for the stakeholders of SIL, only for the purposes of verifying its statements relating to BRSR Core (Annexure I) as notified by SEBI vide Circular number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated July 12, 2023), more particularly described in the Scope above.

This independent assurance opinion statement is prepared based on review by BSI, of information presented to it by SIL. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by SIL is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team that conducted the assurance has extensive experience in conducting assurance & verification over environmental, social & governance (ESG), and GRI Standards 2021, AA1000AS, ISO 14001, ISO 45001, ISO 14064, ISO 14068, ISO 50001, and ISO 9001, etc. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

Issue Date: 25-03-2025

For and on behalf of BSI:

**Sabvasachi Ghosh**  
Lead Assurer

**Theuns Kotze**  
Managing Director BSI India

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### Appendix A: BRSR Attributes

BRSR KPI		Type of Assurance	Value
<b>PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment</b>			
<b>Attribute: Green-house gas (GHG) footprint</b>			
P6:E7	Total Scope 1 GHG emissions tCO <sub>2</sub> e	Reasonable	8,886.1
	Total Scope 2 GHG emissions tCO <sub>2</sub> e	Reasonable	0
	GHG emission intensity (Scope 1 +2) (Total tCO <sub>2</sub> e / Revenue from operations) tCO <sub>2</sub> e/INR	Reasonable	0.0000011
	GHG emission intensity (Scope 1 +2) (Total tCO <sub>2</sub> e / Total Revenue from operations adjusted for PPP) tCO <sub>2</sub> e/USD	Reasonable	0.000002
	GHG emission intensity (Scope 1 +2) (Total tCO <sub>2</sub> e / Numbers of FGs)	Reasonable	0.000023
<b>Attribute: Water footprint</b>			
P6:E3	Total volume of water withdrawal KL	Reasonable	309,587.9
	Total volume of water consumption KL	Reasonable	214,211.9
	Water consumption intensity (KL / Revenue from operations) KL/INR	Reasonable	0.000003
	Water consumption intensity (KL / Total Revenue from operations adjusted for PPP) KL/USD	Reasonable	0.000054
	Water consumption intensity (KL / Numbers of FGs)	Reasonable	0.00056
P6:E4	Water discharge by destination & levels of Treatment	Reasonable	95,376 KL After Primary+ Secondary+ Tertiary treatment
<b>Attribute: Energy footprint</b>			

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## Independent Assurance Opinion Statement



BRSR KPI		Type of Assurance	Value
P6:E1	Total energy consumed (from renewable and non-renewable sources) MJ	Reasonable	53,70,06,382.2
	% of Energy consumed from renewable sources	Reasonable	29%
	Energy intensity (Megajoules / Revenue from operations) MJ/INR	Reasonable	0.01
	Energy intensity (Megajoules / Total Revenue from operations adjusted for PPP) MJ/USD	Reasonable	0.1
	Energy intensity (Megajoules / Numbers of FGs)	Reasonable	1.4
<b>Attribute: Embracing circularity - details related to waste management by the entity</b>			
P6:E9	Plastic waste, MT	Reasonable	316.5
	E-waste, MT		2.8
	Biomedical waste, MT		0.05
	Construction & Demolition waste, MT		0.0
	Battery waste, MT		11.9
	Radioactive waste, MT		0.0
	Hazardous waste, MT		1,084.8
	Other non-hazardous waste MT		29,937.2
	Total waste generated MT	Reasonable	31,353.2
	Waste intensity (MT / Revenue INR from operations) MT/INR	Reasonable	0.0000004
	Waste intensity (MT / Total Revenue INR from operations adjusted for PPP) MT/USD	Reasonable	0.000008
P6:E9	Waste intensity (MT / Nos of finished FG)	Reasonable	0.00008
	For each category of waste, waste recovered through recycling, reusing or recovery – Absolute & Intensity	Reasonable	30,401.5 MT 97%

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BRSR KPI		Type of Assurance	Value
	For each category of waste, waste disposed by nature of disposal – Absolute & Intensity Breakup is as follows - a. Incineration b. Landfill c. Coprocessing	Reasonable	945.2 MT 3%  315.9 MT 137.1 MT 492.1 MT
PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains			
Attribute: Enhancing Employee Wellbeing and Safety			
P3:E1 (c)	Spending on measures towards well-being of employees and workers (cost incurred on wellbeing measures as a % of total revenue of the company)	Reasonable	0.11%
P3:E11	Details of safety related incidents for employees and workers including contract-workforce a. Number of permanent disabilities b. LTIFR c. Number of fatalities	Reasonable	 0 0.40 0
PRINCIPLE 5 Businesses should respect and promote human rights			
Attribute: Enabling Gender Diversity in Business			
P5:E3 (b)	Gross wages paid to females as % of wages paid by the entity	Reasonable	4%
P5:E7	Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Reasonable	01
	Complaints on POSH as a % of female employees / workers		0.3%
	Complaints on POSH upheld		01
PRINCIPLE 8 Businesses should promote inclusive growth and equitable development			

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## Independent Assurance Opinion Statement



BRSR KPI		Type of Assurance	Value
<b>Attribute: Enabling Inclusive Development</b>			
P8:E4	Percentage of input material (inputs to total inputs by value) sourced from Suppliers: a. Directly sourced from MSMEs/ small producers & b. Directly from within India	Reasonable	20% 85%
P8:E5	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent/ on contract) as % of total wage cost	Reasonable	Rural – 57.8% Semi-urban – 0.05% Urban – 23.3% Metropolitan – 18.9%
<b>PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner</b>			
<b>Attribute: Fairness in Engaging with Customers and Suppliers</b>			
P9:E7	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	Reasonable	0%
<b>PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable</b>			
<b>Attribute: Fairness in Engaging with Customers and Suppliers</b>			
P1:E8	Number of days of accounts payable	Reasonable	64
<b>Attribute: Open-ness of business (audited data provided by Financial Auditors)</b>			
P1:E9	Concentration of purchases	Reasonable	
	a. Purchases from trading houses as % of total purchases		3.0%
	b. Number of trading houses where purchases are made from		331
	c. Purchases from top 10 trading houses as % of purchases from trading houses		35.5%
	Concentration of sales	Reasonable	
	a. Sales to dealers / distributors as % of		16.6%

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BRSR KPI		Type of Assurance	Value
	total sales		
	b. Number of dealers / distributors to whom sales made		753
	c. Sales to top 10 dealers / distributors as % of total to dealers / distributors		21.2%
	Share of RPTs (as respective percentage) in –	Reasonable	
	• Purchases		43.6%
	• Sales		12.3%
	• Loans & advances		100.0%
	• Investments		100.0%

*Exclusions: The new factory construction site near Bengaluru is excluded from scope of Attributes & Indicators like P9:E7, P8:E5, P5:E3 (b), P3:E11, P3:E1 (c), P6:E9, P6:E7, P6:E4, P6:E3, P6:E1*

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## Independent Assurance Opinion Statement

**Appendix B:**

List of locations which form the boundaries of the sustainability information pertaining to "Green-house gas (GHG) footprint, water footprint, energy footprint, embracing circularity, enhancing employee wellbeing and safety, enabling gender diversity in business, enabling inclusive development, fairness in engaging with customers and suppliers, open-ness of business".

S.NO	Location	Type
1.	National – India	<ul style="list-style-type: none"> <li>Offices in India (including the SIL's Registered Office) and Sales/Regional Offices across all States and Union Territories of India</li> <li>2 factories in Gujrat, 1 in Maharashtra and 1 in Tami Nadu</li> </ul>

*Exclusions: The new factory construction site near Bengaluru is excluded from scope of Attributes & Indicators like P9E7, P8E5, P5:E3 (b), P3:E11, P3:E1 (c), P6:E9, P6:E7, P6:E4, P6:E3, P6:E1*

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