Electric two-wheelers emerged as structural driver, with volumes crossing 1.2 million units in 2025, registering ~21% year-on-year growth and accounting for nearly 58% of India's total EV market. The industry now operates on a dual track model – ICE are generating profits which are used as an investment in EVs whereas EV focused OEMs are using software to drive revenue.

Seasonal factors also played a role, with November 2025 witnessing exceptional wholesale growth as OEMs stocked dealerships ahead of Diwali and allied festivals, followed by a natural moderation in December as dealers focused on retail sell-through and inventory correction. Looking ahead, the industry expects positive momentum to continue well into 2026, supported by stable macroeconomic conditions, moderated GST improving affordability, and sustained policy support. At the same time, close monitoring of geopolitical developments will remain critical to ensuring resilience in supply chains and export performance.

4. Business & financial overview

4.1 Automotive Technologies

The Automotive Technologies segment, which encompasses E-Mobility, Powertrain and Chassis divisions, continued to demonstrate robust growth during CY2025. The segment recorded a 24.6% year-on-year increase, driven by significant business wins in Passenger Vehicle Clutches and Dual Mass Flywheels. This segment contributed 33.4% of Schaeffler India's total revenue in CY2025, underscoring its pivotal role in the Company's overall performance and growth trajectory.

Localisation has remained a cornerstone of our strategy, enabling us to enhance competitiveness, strengthen supply chain resilience, and deliver greater value to customers. By leveraging local manufacturing capabilities and engineering expertise, we have been able to respond more effectively to evolving market demands. During the year, Schaeffler India inaugurated its e-axle production line at Talegaon Plant. This marked a structural shift from component manufacturing to system-level EV drive solutions.

Looking ahead, the Automotive Technologies segment is well-positioned to capitalise on opportunities in electrification and advanced mobility solutions. With a strong pipeline of innovative products and continued focus on localisation, we aim to reinforce our leadership in the automotive space.

4.2 Vehicle Lifetime Solutions

The Vehicle Lifetime Solutions segment contributed 12.1% of Schaeffler India's revenue in CY2025. The division saw year-on-year growth of 12.2%, supported by continued volume wins from new product launches such as wipers, and steering & suspension components which remained strong contributors, reinforcing customer confidence in our aftermarket offerings.

A key highlight during the year was the launch of the automotive lube vending machine at the Maneja facility, which underscores our commitment to innovation. This initiative not only enhances accessibility but also strengthens our aftermarket service ecosystem. The segment maintained a strategic focus on portfolio expansion and deeper market penetration through range extensions, ensuring that customers have access to a wider variety of solutions tailored to evolving needs.

An important enabler has been our wholly-owned subsidiary Koovers, which has provided a significant advantage by expanding reach and improving distribution efficiency. Koovers' digital platform has allowed us to connect more effectively with workshops and mechanics, thereby strengthening customer engagement and ensuring faster delivery of parts and solutions.

Looking ahead, Vehicle Lifetime Solutions will continue to build on these foundations, leveraging innovation, partnerships, and range expansion to drive sustainable growth and reinforce Schaeffler's position in the aftermarket space.

4.3 Bearings & Industrial Solutions

The Bearings & Industrial Solutions segment contributed 39.2% of Schaeffler India's revenue in CY2025, reaffirming its position as a strong business pillar. The segment delivered a 6.4% year-on-year growth, supported by new business wins in Deep Groove Ball Bearings and Needle Roller Bearings within the two-wheeler segment.

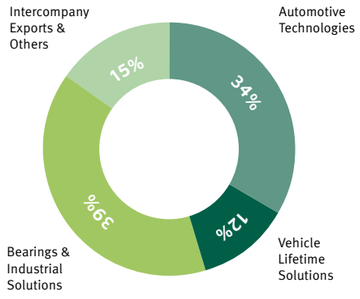
Further momentum was achieved through business nominations for needle bearings and lift mast rollers in the off-road segment, strengthening our presence in specialised applications and expanding our customer base.

During the year, we inaugurated the Robotic Process Automation & Benchmarking Lab at the Maneja facility in Vadodara, a milestone that enhances our capability in process efficiency, product benchmarking, and innovation. This initiative underscores our commitment to leveraging technology for operational excellence.

Engagement with channel partners remained a priority, highlighted by the Distributor Meet held in Goa, which provided a platform to reinforce relationships, share strategic updates, and align on future growth opportunities.

Looking ahead, Bearings & Industrial Solutions will continue to focus on expanding its product portfolio, deepening customer partnerships, deepening localisation, and driving innovation to sustain its leadership position in the industrial solutions space.

Sales by division



Cautionary statement: The Management Discussion and Analysis contain forward-looking statements based on management's current expectations and assumptions.

Actual results may differ due to economic conditions, industry dynamics, regulatory developments, competitive pressures, and other factors beyond the Company's control.

Business Responsibility and Sustainability Report

Section A: General Disclosures

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**
   15th Floor, Amar Sadanand Tech Park (ASTP), Baner, Pune, Maharashtra, India, 411045
5. **Corporate address**
   15th Floor, Amar Sadanand Tech Park (ASTP), Baner, Pune, Maharashtra, India, 411045
6. **E-mail**

Bearings and Industrial Solutions	:	info.in@schaeffler.com
Automotive Technologies and Vehicle Lifetime Solutions	:	aftermarket@schaeffler.com
Media	:	akanksha.lal@schaeffler.com
Retail Investors	:	investorsupport.in@schaeffler.com
Institutional Investors	:	ir.india@schaeffler.com

7. **Telephone**
   91-20-68198400
8. **Website**
   www.schaeffler.co.in
9. **Financial year for which reporting is being done**
   January 1, 2025 to December 31, 2025
10. **Name of the stock exchange(s) where shares are listed**
    1) Bombay Stock Exchange Limited (BSE) 2) National Stock Exchange of India Limited (NSE)
11. **Paid-up capital**
    As on December 31, 2025, the paid-up capital of the Company stood at ₹312,607,340 consisting of 156,303,670 number of equity shares of ₹2/- each.
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**

Name	:	Neelam Darekar, Sustainability Reporting
Telephone	:	+91-20-68198400
E-mail	:	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 are made on a standalone basis (i.e. only for Schaeffler India Limited)
    Reporting boundary includes five plants viz Maneja, Savli, Hosur and Talegaon, Shoolagiri (date of commencement of Shoolagiri is August 2025), and one Registered/Corporate office at Pune and five regional/sales offices.
    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

II. Products/services

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

Sr. 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.	33%
2	Bearings and Industrial Solutions	The Bearings and 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 include grease and oils, maintenance products that include a wide range of mounting and dismounting tools, and condition monitoring systems to customers across various industrial sectors. These products are distributed through direct sales channels as well as through a widespread network of certified distribution partners.	39%
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.	12%
4	Intercompany Exports and Others	Intercompany Exports and Others mainly includes exports to Group companies (across regions of America, Asia Pacific, China, and Europe), scrap sales, and other operating income.	15%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover)

Sr. No.	Product/Service	NIC Code	% of Total Turnover Contribute
1	Bearings, engine and transmission products and solutions	28140	97%

Bearing and engine transmission product is common among all the below segments

(₹ in Million)

Sr. No.	Segment	Turnover	% of Total Turnover Contribute
1	Mobility components and related solutions	72,564.4	77%
2	Others	21,388.8	23%
	Total	**93,953.2**	**100%**

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	5[1]	5[2]	10
International	-	-	-

[1] Commissioned a new manufacturing plant at Shoolagiri, operational since Aug 2025.

[2] Offices in Jamshedpur and Secunderabad have been closed in 2025 to optimise operational efficiency.

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of states)	28 states and 8 union territories
International (No. of countries)	23

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

(₹ in Million)

Particulars	Revenue	% of Total Turnover Contribute
Exports and others[1]	14,328.2	15%
Total revenue	93,953.2	100%

Note: [1] Refer Q16 (4) for export details

c. A brief on types of customers

Schaeffler India serves a diverse customer base across multiple sectors, reflecting its versatile product and service portfolio serving customers in domestic as well as international markets which are broadly classified in 3 divisions.

1. 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. Includes:
   - Powertrain and Chassis division, develops and manufactures pioneering components and system solutions, for highly efficient powertrains and intelligent chassis systems, serving 2-wheelers, passenger cars, and commercial vehicles.
   - E-mobility division offers solutions for all types of electrified drive systems – from individual components to intelligent operating strategies, and complete drive systems.
2. Bearing and Industrial Solutions division provides an extensive array of bearing solutions tailored to meet the unique needs of Renewables, Machinery & Materials, Transportation & Mobility, and Industrial Automation.
3. Vehicle Lifetime Solutions 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.

IV. Employees

20. Details as at the end of the Financial Year

a. Employees and workers (including differently abled):[1]

	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
1. Permanent (D)	1,775	1,665	94%	110	6%
2. Other than permanent (E)	228	195	86%	33	14%
3. **Total employees (D + E)**	**2,003**	**1,860**	**93%**	**143**	**7%**
Workers					
4. Permanent (F)	1,345	1,320	98%	25	2%
5. Other than permanent (G)	3,021	2,768	92%	253	8%
6. **Total workers (F + G)**	**4,366**	**4,088**	**94%**	**278**	**6%**

b. Differently abled employees and workers

	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
1. Permanent (D)	3	3	100%	0	0%
2. Other than permanent (E)	0	0	0%	0	0%
3. **Total employees (D + E)**	**3**	**3**	**100%**	**0**	**0%**
Workers					
4. Permanent (F)	0	0	0%	0	0%
5. Other than permanent (G)	4	4	100%	0	0%
6. **Total workers (F + G)**	**4**	**4**	**100%**	**0**	**0%**

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

21. Participation/inclusion/representation of women

	2025 Current Financial Year		
	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	7	2	29%
Key management personnel	3	1	33%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	2025 (Turnover rate in current FY)			2024 (Turnover rate in Previous FY)			2023 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	14.1%	1.9%	6.1%	13.8%	2.2%	10.7%	6.5%	1.0%	4.2%
Permanent workers	2.7%	0.3%	2.8%	2.7%	0.3%	2.0%	4.1%	0.0%	2.3%

V. Holding, subsidiary, and associate companies (including joint ventures)

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

Si. No.	Name of the holding/ subsidiary/associate company/ joint venture (A)	Indicate whether holding/ subsidiary/associate/ joint venture	% of shares held by listed entity	Does the entity indicated in 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 ₹) ₹93,953.2 mn (as of December 31, 2025)

(iii) Net worth (in ₹) ₹61,426.9 mn (as of December 31, 2025)

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 complaints are received	Grievance redressal mechanism in place (Yes/No) (If Yes, provide web link for grievance redressal policy)	2025 Current Financial Year			2024 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	Schaeffler India has a community feedback mechanism for CSR projects. Individuals or groups can report grievances during the annual feedback exercise or as needed. Grievance redressal channels include: https://www.schaeffler.co.in/en/meta/contact/	Nil	Nil		Nil	Nil	
Investors (other than Shareholders)	Yes All investors are Shareholders. Other disclosures | Schaeffler India Please refer to the link for shareholding pattern. Shareholding pattern | Schaeffler India https://www.schaeffler.co.in/en/investor-relations/disclosures/other-disclosures/ https://www.schaeffler.co.in/en/meta/contact/	Nil	Nil		Nil	Nil	
Shareholders	Yes https://www.schaeffler.co.in/en/investor-relations/disclosures/other-disclosures/ The Shareholders can file a complaint on SEBI SCORES. The Shareholders can reach out to the Secretarial team at investorsupport.in@schaeffler.com for any grievances/queries. There is a Shareholders' Handbook for the guidance purpose. The same is available at: https://www.schaeffler.co.in/en/investor-relations/shareholders-information/shareholders-news/	11	Nil	These include complaints received through SEBI SCORES/ SMART ODR and stock exchanges	1	Nil	These include complaints received through SEBI SCORES and stock exchanges
Employees and workers	Yes Under the vigil mechanism employees can file complaints through: weo.india@schaeffler.com For POSH-related complaints: posh@schaeffler.com For compliance, human rights queries: complianceindia@schaeffler.com. Employees can file any complaint anonymously at: https://schaeffler.speakup.report/en-GB/speakup-line/phone-numbers Grievance redressal policy has a formal grievance redressal procedure, scope and objective. (Policy document is available on the Schaeffler Intranet)	182	16	No POSH complaints were received during the year	138	Nil	Including one POSH complaint
Customers	Yes Customers can file complaints on email IDs displayed on the website. • Key OEM customers have their portals for communicating their concerns. • SPOCs (Single Points of Contact) have been defined for each customer. • A dedicated customer care number is printed on our packaging (MRP stickers) for all products. • We also have an internal system of tracking these concerns through SAP based customer portal IQOS. info.in@schaeffler.com aftermarket@schaeffler.com https://www.schaeffler.co.in/en/meta/contact/	59[1]	3[2]	[1] - Considered all justified zero km (CCO) complaints for the year [2] - The number of complaints that have remained unresolved for more than six months is reported here, with delays justified by the (CCO) due to extended lead times required for corrective actions.	46[1]	Nil[2]	[1] - Considered all justified zero km (AF) complaints were considered for the year. [2] - Number of complaints not closed for more than 6 months (AF-justified), rouded to the nearest digit.
Value chain partners	Yes The vigil mechanism and whistle-blower policies are available on the website, which covers value chain partners as well. Guidelines: https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/ Also covered through BPCoC (Business Partner Code of Conduct) investigations@schaeffler.com https://schaeffler.speakup.report/en-GB/speakup-line/phone-numbers	Nil	Nil		Nil	Nil	
Others (please specify)	Yes The Compliance Management System of the Schaeffler Group and the Company's Vigil Mechanism and Whistle-Blower Policy are effective tools for grievance redressal for both external stakeholders and employees. The policies are available on the Company's website. weo.india@schaeffler.com https://www.schaeffler.co.in/en/meta/contact/	9	2	Investigation is under progress for two cases	13	Nil	

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

Sr. 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	Emissions management	Risk and opportunity	High greenhouse gas (GHG) emissions pose several risks to the Company, including increased operational costs, regulatory compliance challenges, and reputational risks in a market with growing sustainability expectations. There is a potential risk arising from unmet stakeholder expectations regarding emissions management. Operational risks also include possible supply chain disruptions caused by climate change-related events. The Company depends on suppliers, primarily in the steel sector, to develop lower-carbon alternatives through research and development, which is critical for controlling the carbon footprint embedded in its products. Climate change presents both physical risks—such as acute and chronic impact on operations and the value chain—and transition risks, including technological changes, evolving market demands, and shifting policy landscapes.	Schaeffler recognizes the physical and transition risks of climate change over the short, medium, and long term. To address these risks, the Company is implementing measures to reduce greenhouse gas (GHG) emissions in the following areas: Direct emissions from its operations (Scope 1 and Scope 2). Indirect emissions within the supply chain (Scope 3). Additionally, Schaeffler actively engages with suppliers to identify and adopt sustainable alternatives that reduce emissions at the source. Since 2023, Schaeffler has adopted Science Based Targets initiative (SBTi)-validated climate targets aligned with the Paris Agreement's goal to limit global warming. Following the merger with Vitesco Technologies, these targets are currently under review to ensure continued alignment and revalidation by the SBTi.	Negative financial implications include increased operational costs driven by carbon pricing mandates and regulatory compliance requirements, which enhance transition risks. An increase in weather events such as storms, floods, and heatwaves could have significant direct and indirect impact on our supply chain and operations, potentially disrupting production and affecting our ability to fulfill demand. Additionally, policy directions requiring low-carbon manufacturing may necessitate capital investments and operational changes. Failure to meet stakeholder expectations on emissions management could lead to reputational damage and loss of market share. On the positive side, investments in emissions reduction and sustainable technologies can lead to cost savings through improved energy efficiency, resource optimisation, and reduced carbon footprint. Developing low-carbon products and adopting greener supply chain practices open new market opportunities and strengthen relationships with sustainability-focused customers. Aligning with global climate targets, such as the Science Based Targets initiative (SBTi), enhances investor confidence, supports access to sustainable financing, and positions the Company for long-term resilience.
2	Sustainable product design	Opportunity and risk	Schaeffler India operates in the automotive and industrial segments where customers increasingly demand products that meet high standards of quality, safety, regulatory compliance, and environmental performance. Product quality and safety are critical to maintaining customer trust and long-term OEM relationships, while sustainable product design—through material efficiency, reduced environmental footprint, and end-of-life considerations—supports evolving regulatory requirements and customer sustainability expectations. Continuous R&D and technology-led innovation, aligned with Schaeffler Group's global R&D agenda, enables the development of market-ready, safe, and sustainable products, strengthening competitiveness and supporting long-term growth.	Risks related to product failure, safety incidents, or non-compliance are mitigated through robust quality management systems, a strong safety and "zero-defect" culture, and group-wide product validation and approval processes. Sustainability considerations, including material compliance, reduced use of hazardous substances, and end-of-life (EoL) integration, are embedded in product design and development processes. Ongoing investments in R&D, innovation governance, and technology reviews ensure alignment with regulatory, customer, and Group sustainability requirements.	Positive financial implications include revenue growth through stronger OEM relationships, market access, and customer preference for safe and sustainable products; a pricing premium for high-performance and sustainable solutions; enhanced competitiveness driven by innovation; optimisation of lifecycle costs, contributing to sustained business value. Negative financial implications include incremental capital expenditure (capex) and operational expenditure (opex) related to R&D and design efforts; cost avoidance through the reduction of recalls, warranty claims, safety incidents, regulatory penalties, and reputational damage; and long-term value creation through innovation-led competitiveness and lifecycle cost optimisation.
3	Safety and working conditions	Risk	Schaeffler India's manufacturing operations involve significant engagement of employees and contract workers on the shop floor. Any workplace accident, injury, or unsafe working condition can have serious implications for employee well-being, operational continuity, regulatory compliance, and reputation. While the nature of operations limits exposure to highly hazardous substances, lapses in safety practices or unsafe conditions could still result in injuries, downtime, and non-financial impacts that are not easily reversible. Therefore, occupational health and safety remains a critical risk area requiring continuous management focus.	The Company has established comprehensive occupational health and safety management systems, supported by both proactive and reactive controls. These include regular safety audits, training and awareness programmes, incident reporting mechanisms, and defined investigation and Root Cause Analysis (RCA) processes for any incident. Corrective and preventive actions are systematically implemented to reduce recurrence. Continuous monitoring and leadership oversight help ensure adherence to safety standards and improvement in workplace conditions.	Losses arising from workplace accidents—including medical expenses, compensation payments, regulatory penalties, litigation costs, increased insurance premiums, and production downtime—are minimised through the implementation of robust safety controls. Proactive safety management not only ensures operational continuity and protects human capital but also helps prevent reputational damage and reduces indirect costs linked to lost productivity and employee turnover.
4	Waste management	Opportunity	External stakeholders, including customers, regulators, and communities, increasingly expect manufacturers to adopt responsible and circular waste management practices, including reduction of hazardous waste and prevention of environmental contamination. Given Schaeffler India's manufacturing footprint, effective waste management is material to meeting stakeholder expectations, regulatory compliance, and sustainability commitments. By focusing on waste reduction, reuse, and recycling, the Company is able to improve resource efficiency and support circular economy principles across its operations.	Cost optimisation through reduced waste disposal expenses and improved material efficiency; incremental revenue generation from the sale of recyclable waste streams (e.g., used oil, metal scrap); avoidance of regulatory penalties and environmental remediation costs. Strong waste management practices also support compliance, operational efficiency, and long-term sustainability performance.	Positive implications as it helps reduce the long-term risk of non-compliance.
5	Data security and data protection	Risk	Increasing digitalisation of enterprise systems, including ERP, order management, and customer-specific engineering data, makes data security and privacy critical for Schaeffler India. Any data breach or cyber incident could expose sensitive commercial, technical, or personal information, disrupt operations, lead to non-compliance with applicable data protection regulations, and impact long-term customer trust and OEM relationships. Protecting customer and proprietary data is therefore essential for business continuity and reputation.	Schaeffler India addresses data security risks through a robust IT governance framework, supported by Group-wide information security policies aligned with ISO/IEC 27001 and industry standards. Controls include access management, regular security reviews, cyber threat monitoring through a Security Operations Centre (SOC), periodic audits, and employee awareness and training programmes. Incident response mechanisms are in place to ensure timely detection, containment, and remediation of cyber incidents.	Avoidance of potential financial losses arising from data breaches, including regulatory penalties, litigation costs, system downtime, loss of customer trust, and reputational damage. Ongoing investments in IT security infrastructure and governance help protect critical data assets, ensure operational resilience, and support long-term customer relationships.

Note: Our priority material issues are identified, against which associated risks and opportunities are mapped.



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, & Technology
S	Human Capital Development
T	Vendor Management

Horizon Topics

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

Section B: Management and Process Disclosures

Si. No.	Disclosure question	1	2	3	4	5	6	7	8	9
		Ethical and transparent business conduct	Sustainable and safe goods	Well-being of employees	Interest of stakeholders	Promote human rights	Protect and restore environment	Public policy advocacy	Diversity and 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.
		Policy and Management Processes								
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 policies are approved by Board								
	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 and internal documents are available on the company intranet page.								
		https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/								
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 in the management handbook on the intranet.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes, as per BSRM (Business Specific Requirement Matrix), we extend the policies to the value chain partners, like, we have Business Partner Code of Conduct, Sustainability Target Agreement (internal document), etc, applicable to suppliers.								
		https://www.schaeffler.co.in/en/company/purchasing-and-supplier-management/sustainability/								

Si. No.	Disclosure question	1	2	3	4	5	6	7	8	9
4.	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	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 45001:2023 BIS series	LKSG ILO Convention ISO 45001:2023	ISO 9001:2015 IATF 16949 TISAX BIS series	LKSG ILO Convention ISO 45001:2023	ISO 45001:2023 ISO 14001:2015 ISO 50001:2018 EU-EMAS	BIS Specifications	LKSG ILO Convention	ISO 9001:2015 IATF 16949 Quality Assurance programm certification ISO/ TS 22163:2017 TISAX BIS series
		[1] Our IT procedures are compliant with General Data Protection Regulation (GDPR) and the Digital Personal Data Protection Act,(DPDP) 2023. [2] Information Security Management System (ISMS) is aligned with international standards such as ISO/IEC 27001. All our facilities are TISAX certified The certificates can be accessed on the website: Schaeffler India certificates								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any	Schaeffler India Limited has developed an ambitious and structured programme with long-term goals to advance our commitment towards sustainability.(Page No. 69)								
6.	Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met	Schaeffler India Limited has a process in place to monitor ESG (Environmental, Social, and Governance) performance that enables timely tracking of any deviations. Schaeffler India conducts regular reviews of ESG performance at multiple levels—quarterly reviews at the corporate leadership level and periodic reviews at plant operations—to ensure monitoring and necessary strategic adjustments. Details about progress so far on our targets are available on page 69 in the Annual report.								

P1		1. Code of Conduct for Directors, Senior Management and 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. Procedure Compliance with Anti-Trust and Competition Law internal guidelines 17. Internal Control System Policy (Group internal policy)
P2		1. The Schaeffler Business Partner Code of Conduct 2. EnEHS policy (Group policy) 3. Quality and Continuous Improvement Policy (Group internal policy)	4. Human Rights Compliance Policy (Group internal policy) 5. ESG Group policy (Group Internal policy)
P3		1. Nomination and Remuneration Policy 2. Internal policies: Employee transfers, employee referral, employee death benefit etc. 3. Policy against Sexual Harassment (POSH Policy) 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)

Si. No.	Disclosure question	1	2	3	4	5	6	7	8	9
P4		1. Dividend 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. Business Partner Code of Conduct, STA (Sustainability Target Agreement) 11. Vigil Mechanism or Whistle Blower Policy 12. Information, Cyber Security and Data Protection (Internal Policy Document)				
P5		1. Code of Conduct for Directors, Senior Management & Employees 2. Human Rights Compliance Policy (Group internal policy document) 3. Nomination and Remuneration Policy 4. The Schaeffler Business Partner Code of Conduct 5. EnEHS Policy (Group policy)				6. ESG Group Policy (Internal document) 7. Policy against Sexual Harassment (POSH Policy) 8. Corporate Social Responsibility Policy 9. Sustainability Target Agreement (Internal document)				
P6		1. EnEHS Policy (Group policy) 2. Emergency Planning 172930 – 172949 (Group internal policy) 3. ESG Group Policy (Internal document) 4. Business Continuity, Contingency & Crisis Management (Group internal policy)				5. Policy for Preservation of Documents & Archival of Information 6. Sustainability Target Agreement (Internal document) 7. Risk Management Policy				
P7		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		1. Corporate Social Responsibility Policy 2. The Schaeffler Business Partner Code of Conduct				3. ESG Group Policy (Group internal document) 4. Code of Conduct for Directors, Senior Management & Employees				
P9		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 our internal policies are available on company intranet page.)

Governance, Leadership and Oversight

7. 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)

Please refer page 30, 34.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies)

Name of highest authority	:	Harsha Kadam
Designation	:	MD & CEO
DIN	:	07736005
Category	:	E & NID

9. 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.

The sustainability governance structure at Schaeffler India Limited is formal and well established to oversee ESG and sustainability issues at all organisational levels. At the top, the Board of Schaeffler India Limited provides overall governance. The Managing Director & CEO, Harsha Kadam, acts as the sponsor and is supported by the Executive Leadership Team (ELT).

The Sustainability Head plays a key role in India wide sustainability efforts, participating in a weekly review with the MD & CEO to ensure alignment. Additionally, a fortnightly huddle connects the Sustainability Head with Plant Sustainability Coordinators responsible for the individual plants. This structure is supported by dedicated Functional Representatives focusing on critical areas such as sustainable procurement, energy procurement, sustainability reporting, and CSR initiatives, thereby ensuring comprehensive oversight and active coordination of sustainability activities across the Company.

1. **The Risk Management Committee (RMC):** The RMC formulated a detailed Risk Management Policy covering the framework for the identification of internal and external risks specifically faced by the Company, particularly ESG-related risks and measures for risk mitigation. The RMC is responsible for decision-making on sustainability-related issues. ESG-related risks and opportunities are reviewed by the RMC.
2. **The Corporate Social Responsibility (CSR) Committee:** The CSR Committee approves the Annual Action Plan for CSR Programmes to create a meaningful impact and recommends the same to the Board of Directors for implementation. The CSR Committee also reviews the status of the CSR projects undertaken towards social cause, contributing to sustainability.
3. **Stakeholders' Relationship Committee (SRC):** The SRC Committee is responsible for resolving grievances of the Shareholders, reviewing measures taken for effective exercise of voting rights, and reviewing initiatives undertaken by the Company in the interest of the Shareholders.

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/Any other committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, done by Executive Management, relevant committee, and the Board.								
Compliance with statutory requirements of relevance to the Principles and rectification of any non-compliances									
	Frequency (annually, half yearly, quarterly or any other – please specify)								
Performance against above policies and follow up action	Periodic reviews by relevant Executive Management for the six pillars, and quarterly reviews by the relevant committee and the Board.								
Compliance with statutory requirements of relevance to the Principles and rectification of any non-compliances									

11. 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.

Yes.

An assurance engagement was conducted by BDO AG to provide independent assurance on the design, implementation, and operating effectiveness of our compliance management system, specifically covering anti-corruption, antitrust, and prevention of economic crimes.

As part of the requirements under the ISO standards, our EHS audits evaluate the EHS policy's effectiveness, with appropriate reviews undertaken as needed. Independent external agencies, including M/s EMAS and M/s Intechnica, conduct audits of our EHS and energy management systems.

In addition, we maintain a strong internal audit process that performs a detailed examination of policies, procedures, and regulatory compliance requirements. The status of compliance is reported regularly to the Board.

To ensure alignment with best practices and risk mitigation, our policies are periodically reviewed and updated by various business leaders before receiving approval from Senior Management and the Board. Policy reviews are also integral to the ISO certification process conducted at the headquarters level. All our policies undergo review and approval through the Group Governance Framework.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Answer to question (1) above is "Yes", hence this question is Not Applicable								
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)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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	% of persons in respective category covered by the awareness programmes
Board of Directors	5	Refreshing Integrity & Security @ Schaeffler	70%
	5	Operational, Financial Performance, Business Performance & Risk Management, ESG	100%
	1	Special Board & Audit Committee meeting	100%
Independent Directors	1	Plant visit, interaction with statutory auditors, interaction with KMPs	14%
Key Managerial Personnel	4	Integrity & Security @ Schaeffler	100%
		Preventing Bribery & Corruption (PBAC)	100%
		New Compliance WBT "Antitrust Compliance"	100%
Employees Other Than BoD and KMPs	7	Integrity & Security @ Schaeffler (New joiners)	100%
		Preventing Bribery & Corruption (PBAC) (For new joiners)	100%
		Refreshing Integrity & Security @ Schaeffler (For existing)	100%
		New Compliance WBT "Antitrust Compliance" (For new joiners)	100%
	376	Human rights	98%
		Schaeffler Governance Framework	
		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	
		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 Qualityin	
		Critical Thinking and Problem Solving	
		Communicating Effectively to Improve Your Leadership Brand	
		Coaching Conversations	
		Power BI and Analysis Tools	
		Performance and Goal Management (PMGM)	
Workers[1]	133	KAIZEN	74%
		PRESS SAFETY TOOL SETTING	
		5S + DOJO Training	
		Addressing Poor Work Habits	
		Awareness Training of Bearing Handling During Assembly and Roller Visual Defect	
		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)	
		Human rights and POSH	

[1] Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the case
Penalty/fine	Nil			
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	Nil			
Punishment				

3. Of the instances disclosed in question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary actions have been appealed.

Not applicable

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

Yes

Schaeffler's business practices are founded on principles of mutual respect, integrity, and fairness, embodied in its Code of Conduct, which is publicly accessible on the Schaeffler website. The Company enforces a comprehensive Business Integrity Compliance Policy addressing key compliance risk areas such as anti-corruption, competition law, prevention of money laundering, and more. Separate Codes of Conduct exist for Directors, Senior Management, Employees, and Suppliers. Awareness and training programs are conducted regularly to ensure understanding and adherence.

1. Code of Conduct
   - Publicly available on the Schaeffler website.
   - Sets the foundational values of the Company: Integrity, fairness, and mutual respect
   - Directors, Senior Management and Employees: Tailored code focusing on leadership and employee responsibilities
   - Clause 2.2 specifically addresses anti-corruption guidance
2. Business Integrity Compliance Policy (Internal document)
   - Designed based on the Code of Conduct principles
   - Provides binding instructions to enforce business integrity
   - Focus areas to minimise legal violations include:
   - Anti-corruption
   - Fair competition, antitrust, and competition law
   - Avoidance of conflict of interest
   - Prevention of money laundering and terrorism financing
   - Export control and sanctions law compliance
   - Business partner due diligence
   - Proper accounting and financial reporting
   - Reporting of misconduct
   - Transparency and traceability of financial and business transactions
3. Suppliers: Business Partner Code of Conduct ensures ethical standards across the supply chain
4. Implementation and Awareness

   Policies and codes are communicated and reinforced through:
   - Physical and virtual training sessions
   - Interactive e-learning modules
   - Regular awareness campaigns for employees, vendors, and supply chain partners
   - The relevant policies and codes can be accessed through official Schaeffler web links (to be provided as per internal references or website).

Code of directors, senior management & employees

Business Partner 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

	2025 Current Financial Year	2024 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest

	2025 Current Financial Year		2024 Previous Financial Year	
	Number	Remark	Number	Remark
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 Conflict of Interest

Not applicable, as we do not have any instances of corruption/Conflict of Interest against the Directors and KMPs.

8. Number of days of accounts payables ((accounts payable *365)/cost of goods/services procured) in the following format

	2025 Current Financial Year	2024 Previous Financial Year
Number of days of accounts payables[1]	70	64

[1] Excluding capex

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

Parameter	Metrics	2025 Current Financial Year	2024 Previous Financial Year
Concentration of Purchases[1]	a. Purchases from trading houses as % of total purchases	3.2%	3.0%
	b. Number of trading houses where purchases are made from	290	331
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	37.7%	35.5%
Concentration of Sales[2]	a. Sales to dealers/distributors as % of total sales	14.6%	16.0%
	b. Number of dealers/distributors to whom sales are made	291	314[4]
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	34.4%	33.1%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	41.1%	42.2%
	b. Sales (Sales to related parties/Total Sales)	14.3%	12.3%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)[3]	100.0%	100.0%
	d. Investments (Investments in related parties/Total Investments made)[3]	100.0%	100.0%

[1] Total purchases include finished goods purchases, capex and third-party purchases. Schaeffler India procures production materials directly from supply chain partners without involving any trading houses for import/export. The values mentioned here pertain to domestic dealers and traders. Purchases from trading houses are limited exclusively to non-production materials and reflect our business transactions with them.

[2] Values mentioned here are concerned with domestic dealers/traders and consisting only of non production material.

[3] We have considered non-current Loans & non-current investements for calculation.

[4] Previous year figures have been restated with greater clarity in the calculation.

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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes (2025)	% of value chain partners covered (by value of business done with such partners) under the awareness programmes (2024)
25	Supply Chain digitalisation: The "SupplyOn" tool is implemented with Production Material suppliers as per group guidelines. It covers topics such as Sourcing Module, Web EDI, ASN, GTL, Performance Monitor etc	63%	95%
35	Schaeffler Supplier Sustainability (Carbon emission management and targets, Environmental management certification, Occupational health and safety certification, SAQ and Sustainability Target agreement)	18%	62%

Note: 1 Majority of the suppliers were already covered in 2024 and remaining were covered in 2025.

2 Awareness sessions were conducted through workshops, one-to-one interactions and Teams calls. Suppliers are covered through a Self-Assessment Questionnaire (SAQ). In FY2025, suppliers with risk class 'E' were covered (in the previous year, suppliers with risk classes 'D' and 'E' were covered).

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

Yes

All directors and employees are governed by the Schaeffler Code of Conduct which includes Conflict of interest (COI) clause. Schaeffler expects loyalty and integrity from all employees. This means that all employees must act in Schaeffler's best interests within the scope of their employment with the Company and make business decisions in the best interests of the Company.

Conflict of Interest should be avoided and if it is unavoidable, it must be disclosed in writing to the Line Manager, HR Business Partner or responsible Compliance Officer, Board of Directors (situational) to find a solution that will protect the Company's interests.

COI declarations are taken from the Board members on a periodic basis. Adequate resolution is agreed about the declared conflict if any, and documented.

Business integrity & compliance (Internal Policy) lays down procedures for the Disclosure and Handling of Conflict of Interest. Following are links for the code of conduct:

- Coc of directors, senior management & employees
- Business Partner Code of Conduct
- Group code of conduct
- Business integrity & compliance policy (Internal policy)

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 products and processes to total R&D and capex investments made by the entity, respectively.

	2025	2024	Details of improvements in environmental and social impacts
R&D	100%	100%	1. The contribution of steering races manufacturing for 2W (two-wheeler) Electric Vehicles (EVs) at the Savli plant plays a significant role in promoting sustainability. This involves supporting cleaner mobility solutions and enabling environmentally friendly transportation. 2. The launch of three different series of Large SRB (Steering Race Bearings) localisation at the Savli plant, including the first-time local development of Large Case Steel Bearing Housing, significantly contributes to sustainability by enhancing local manufacturing capabilities, reducing supply chain impacts, and promoting resource-efficient production. 3. The initiative AVISHKAAR, launched in 2025, aims to unlock potential innovations by soliciting ideas across four key themes: Innovation, Passion, Excellence, and Sustainability. It received over 350 ideas, which are currently under evaluation and may contribute to business growth by enhancing top-line revenue and bottom-line profitability.
Capex	3.9%	6.3%	

[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 machinery and procedures to control the environmental and social impacts of our products and processes, we do regular checks and updates which require no investment for the time being.

2. Details on sustainable sourcing

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

Yes

Sustainability is integral to Schaeffler's core values, focusing on identifying, managing, and optimising ecological, social, and economic impacts throughout our supplier network. Recognising that raw materials for modern technologies often come from geopolitically sensitive areas, and given the challenges posed by climate change and resource scarcity, we actively strengthen partnerships with our suppliers to promote and embed sustainable practices collaboratively.

Our sustainable sourcing framework includes the following key elements:

Business Partner Code of Conduct

All Schaeffler India suppliers are required to acknowledge Business Partner Code of Conduct, which explicitly addresses responsible sourcing, including conflict minerals and critical raw materials.

Sustainability Self-Assessment Questionnaire (SAQ)

As per group guidelines, suppliers undergo a phased Sustainability Self-Assessment Questionnaire covering critical areas such as Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environmental Stewardship, Responsible Supply Chain Management, and Responsible Sourcing of Raw Materials.

Incorporation of Sustainability in Sourcing Approval

Sustainability criteria form a part of the sourcing approval process to ensure alignment with our standards.

Sustainability Target Agreement (STA)

We enter into mutual agreement named "Sustainability Target Agreement" with selected production material suppliers to drive continuous improvement in sustainability performance. These targets cover Greenhouse Gas Emissions, Renewable Energy adoption, Waste Management, Human Rights Due Diligence, Returnable Packaging, and other relevant aspects, following group guidelines.

Conflict Minerals Reporting

Schaeffler adheres strictly to the group's Conflict Minerals Reporting Procedure to maintain an ethical supply chain and comply with responsible sourcing requirements.

This structured approach helps us in mitigating supply chain risks and fosters responsible business practices throughout our sourcing ecosystem.

Sustainability | Schaeffler India

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

Yes

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

3. Describe the processes in place to safely reclaim your products for reuse, recycling and disposal at the end of their life.

Our Bearing Refurbishing Centre is a facility dedicated to the refurbishment and maintenance of bearings, mainly aimed at extending the life of bearings, reducing operational costs, and supporting sustainability by minimising waste and resource consumption. Refurbishment of bearings plays an important role in extending the lifecycle of product solutions and reducing CO2 emissions, thereby saving significant amounts of resources (sustainability focus).

- By refurbishing bearings, the centre promotes a circular economy approach.
- Reduces waste and conserves materials by extending the usable life of existing bearings.
- Supports Schaeffler's overall sustainability goals by minimising environmental impact.

Additionally, all products comply with European regulations such as ELV, RoHS, and REACH, supporting the safe disposal of products at the end of their life..

(a) Plastics (including packaging)	Plastic waste generated from our manufacturing and warehousing locations is responsibly managed by recycling it through an authorised recycler, ensuring compliance with environmental regulations and standards.
(b) E-waste	E-waste generated from all Company locations is safely managed by either recycling it through an authorised recycler or sending it back to the original manufacturer.
(c) Hazardous waste	Waste generated from manufacturing locations is sent to authorised recyclers or for co-processing, enabling Schaeffler India to achieve Zero Waste to Landfill status across all plant locations.
(d) Other waste.	Metal scraps generated from the manufacturing process are recycled responsibly by either returning them to suppliers or sending them to authorised recyclers.

Note: Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final products that are sold to consumers. Therefore, for Schaeffler India Limited, the consumers are these OEM companies, i.e. customers, and the Company has limited scope to directly reach consumers.

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.

We are registered under the Extended Producer Responsibility (EPR) framework with the Central Pollution Control Board (CPCB) adhering to the Plastic Waste Management Rules, 2016.

- Schaeffler India Limited is registered under importer category under the Plastic Waste Management Rules, 2016.
- Schaeffler India Limited is registered under brand owner category under the Plastic Waste Management Rules, 2016.
- Schaeffler India Limited is also registered as a producer of waste/used battery in line with the provisions under Battery Waste Management Rules, 2022

We are complyig with the regulatory requirements of collection and disposal of waste, filing returns, obtaining EPR credits etc. as per EPR guidelines.

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**

Schaeffler is committed not only to reducing greenhouse gas emissions in its own production and facilities but also to minimising its climate footprint across the entire value chain. This includes assessing and reducing CO2 emissions from suppliers, as well as emissions generated during the product's use phase and disposal. Schaeffler calculates the carbon footprint of its products to quantify and manage the greenhouse gas emissions associated with their entire lifecycle.

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	52%	Cradle-to-gate	No	The Product Carbon Footprint (PCF) calculations for Schaeffler's products are conducted centrally at the Group level. The results of these calculations can be provided to interested parties upon request.
28140	Engine Components	15%	Cradle-to-gate	No	
28140	Transmission System	29%	Cradle-to-gate	No	
27100	Electric Drives	3%	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 and environmental concerns identified.

Name of Product/service	Description of the risk/concern	Action taken
Nil	Nil	Nil

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 reused input material to total material	
	2025 Current Financial Year	2024 Previous Financial Year
Packaging plastic material	13.0%	12.1%
Plastic granules	20.0%	19.9%
Castings	85.0%	85.0%
Steel	16.3%	13.6%

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

	2025 Current Financial Year			2024 Previous Financial Year		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

We are intermediaries in the 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 life cycle.

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
Qualitative response (name of product)	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 life cycle.

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									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities[1]	
Category	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	1,665	1,665	100%	1,665	100%	0	0%	1,665	100%	1,518	91%
Female	110	110	100%	110	100%	110	100%	0	0%	98	89%
Total	**1,775**	**1,775**	**100%**	**1,775**	**100%**	**110**	**100%**	**1,665**	**100%**	**1,616**	**91%**
Other than permanent employees											
Male	195	195	100%	195	100%	0	0%	0	0%	193	99%
Female	33	33	100%	33	100%	33	100%	0	0%	31	94%
Total	**228**	**228**	**100%**	**228**	**100%**	**33**	**100%**	**0**	**0%**	**224**	**98%**

b. Details of measures for the well-being of workers

		% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities[1]	
Category	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	1,320	1,320	100%	1,320	100%	0	0%	1,320	100%	1,080	82%
Female	25	25	100%	25	100%	25	100%	0	0%	25	100%
Total	**1,345**	**1,345**	**100%**	**1,345**	**100%**	**25**	**100%**	**1,320**	**98%**	**1,105**	**82%**
Other than Permanent workers											
Male	2,768	2,768	100%	2,768	100%	0	0%	0	0%	0	0%
Female	253	253	100%	253	100%	253	100%	0	0%	0	0%
Total	**3,021**	**3,021**	**100%**	**3,021**	**100%**	**253**	**100%**	**0**	**0%**	**0**	**0%**

[1] The daycare facility is available at 3 locations

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

c. Spending on measures towards the 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 Previous Financial Year

	2025 Current Financial Year (%)	2024 Previous Financial Year (%)
Cost incurred on well-being measures as a % of total revenue of the company	0.11%	0.11%

Note: [1] For the purpose of calculating the spending on measures towards well-being of employees and workers, the Company has considered the expense incurred towards employees/workers Health Insurance, Life Insurance, Medical Expenses, maternity and paternity benefits, yoga day, family engagement, festive celebrations. Cost incurred for occupational health centers are excluded.

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

Benefits	2025 Current Financial Year			2024 Previous Financial Year		
	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/N.A.)	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/N.A.)
PF	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

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.

Schaeffler India is committed to creating a barrier-free and inclusive workplace by making its premises and offices accessible to differently-abled employees and workers. The Company follows hamonised space standards and guidelines to develop necessary infrastructure and actively promotes the deployment of differently-abled candidates across technical and non-technical roles.

1. Accessibility infrastructure development: Schaeffler India has implemented and continues to progress in installing accessibility facilities at all plant locations, including:
   - Signages: Clear, easy-to-understand signage to assist navigation.
   - Elevators, ramps, handrails: Facility modifications to ensure safe and convenient movement.
   - Dedicated parking: Reserved parking spaces in close proximity to entrances.
   - Washrooms/restrooms: Accessible and adapted washroom facilities.
2. Compliance with Barrier-free environment guidelines
   - Workspaces follow harmonised guidelines and space standards ensuring accessibility for persons with disabilities.
   - Ensures legal and ethical compliance while promoting comfort and inclusivity.
3. Diversity and inclusion practices
   - Positions suitable for differently-abled candidates are identified regularly.
   - Recruitment occurs on both on-roll and off-roll bases (permanent and contract).
   - Approximately 7 differently-abled employees and workers are currently deployed across various locations.

Schaeffler India demonstrates a strong commitment to accessibility and inclusion, ensuring the workplace environment supports differently-abled employees through infrastructure and employment initiatives. This fosters diversity and equal opportunity within the organisation.

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's Code of Conduct embraces diversity as a fundamental principle, recognising equality as a basic human right and prioritising a respectful, inclusive workplace free from prejudice, discrimination, intimidation, and abuse. The Company is committed to providing equal opportunities to all individuals regardless of age, gender, gender identity, ethnicity, nationality, religion, disability, or sexual orientation, viewing cultural diversity as a strength in its global operations. To further strengthen this commitment, Schaeffler India is in the process of formulating a comprehensive Diversity & Inclusion policy that will formalise and guide its efforts to create an inclusive and welcoming work environment

Coc of directors, senior management & employees

Business Partner Code of Conduct

Group code of conduct

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

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male[1]	100%	100%	100%	100%
Female	100%	100%	NA[2]	NA[2]
Total	100%	100%	100%	100%

[1] From year 2024 onwards this is applicable to all male candidates across Schaeffler India.
[2] 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 workers? If yes, give details of the mechanism

	Yes/No	(If Yes, then give details of the mechanism)	
Permanent Workers	Yes	• **Permanent Workers:** Worker unions are established, allowing employees to file complaints or approach management at any time to resolve their grievances effectively. • **Non-Permanent Workers:** External unions represent non-permanent workers. These workers raise personal or collective grievances, if any, through their appointed leaders, who escalate issues to the respective contractors and the Industrial Relations (IR) Head for amicable resolution. • **Functional Management Responsibility:** Functional managers are accountable for implementing, monitoring, and reporting Human Rights and Code of Conduct (CoC) related issues. They ensure timely management intervention where necessary. • **Whistle-Blower and Vigil Mechanism:** A defined policy supports complaint filing through dedicated email IDs, helpline numbers, and Single Points of Contact (SPOCs). Contact information is widely circulated among employees to facilitate awareness and ease of reporting. • **Prevention of Sexual Harassment (POSH) Committees:** Each plant and office has an Internal Complaints Committee (ICC) to address POSH-related concerns through helpline numbers, email IDs, and SPOCs. • **Additional Feedback Channels for Permanent Employees:** Mechanisms such as Town Hall Meetings, Open House Meetings, and "Skip to Succeed" interactive sessions are in place to receive employee feedback and grievances, ensuring responsive communication.	Under Vigil Mechanism employee can file a complaint at: weo.india@schaeffler.com
Other than Permanent Workers			POSH-related complaints: posh@schaeffler.com
Permanent Employees			Compliance-related and Human Rights queries: complianceindia@schaeffler.com Dedicated helpline number provided in Code of Conduct.
Other than Permanent Employees			Employee can file any complaint anonymously at: https://schaeffler.speakup.report/en-GB/speakup-line/phone-numbers

7. Membership of employees and workers in association(s) or unions recognised by the listed entity

	2025 Current Financial Year			2024 Previous Financial Year		
Category	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	1,775	0	0%	1,652	0	0%
Male	1,665	0	0%	1,549	0	0%
Female	110	0	0%	103	0	0%
Total Permanent Workers	1,345	736	55%	1,295	743	57%
Male	1,320	736	56%	1,270	743	59%
Female	25	0	0%	25	0	0%

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

8. Details of training given to employees and workers:

	2025 Current Financial Year					2024 Previous Financial Year				
	Total (A)	On health and safety measures		On Skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,860	1,193	64%	1,684	91%	1670	653	39%	1433	86%
Female	143	80	56%	115	80%	132	50	38%	109	83%
Total	**2,003**	**1,273**	**64%**	**1,799**	**90%**	**1802**	**703**	**39%**	**1542**	**86%**
Workers										
Male	4,088	1,584	39%	2,487	61%	3517	1576	45%	1899	54%
Female	278	185	67%	237	85%	188	82	44%	88	47%
Total	**4,366**	**1,769**	**41%**	**2,724**	**62%**	**3705**	**1658**	**45%**	**1987**	**54%**

[1] Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

9. Details of performance and career development reviews of employees and workers

The global Performance & Goal Management (PMGM) system supports individual performance as well as the personal and professional development of employees. PMGM includes setting performance goals for the upcoming year, conducting open dialogues between managers and employees to discuss career plans, and defining appropriate development goals and actions.

This system is managed through SAP SuccessFactors, providing a structured and transparent approach to performance management. For workers, an internal performance appraisal mechanism is implemented to effectively assess and support their performance.

	2025 Current Financial Year			2024 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,665	1,665	100%	1,549	1,549	100%
Female	110	110	100%	103	103	100%
Total	**1,775**	**1,775**	**100%**	**1,652**	**1,652**	**100%**
Workers						
Male	1,320	1,320	100%	1,245	1,245	100%
Female	25	25	100%	25	25	100%
Total	**1,345**	**1,345**	**100%**	**1,270**	**1,270**	**100%**

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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 of such a system?

Yes.

Safety is a fundamental value that takes precedence over all business objectives at Schaeffler. Each of our plants is equipped with Occupational Health Centre (OHC) facilities staffed by doctors, nurses, and ambulances operating 24/7 to ensure prompt medical care. Our health and safety management systems are implemented in accordance with the international standard ISO 45001 (Occupational Health and Safety Management System), reflecting our commitment to maintaining a safe and healthy work environment across all the locations of Schaeffler India Ltd.

EnEHS Policy – Group ISO 45001

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

Schaeffler India prioritises safety as a core responsibility, committed to fostering a strong safety culture across all organisational levels. The Company continuously evaluates safety practices against industry standards to ensure a secure workplace for employees, business partners, and contractors. A comprehensive risk management system is in place involving risk identification, assessment, and mitigation through multi-level processes and regular audits, supported by awareness programmes and emergency preparedness. Safety is integral to business operations, with emphasis on instilling a culture of safety throughout the organisation.

Hazard Identification and Assessment (HIRA)

- Hazard Identification and Risk Assessment (HIRA) is conducted regularly at all locations
- Three-stage process involving local cross-functional teams and third-party engagement

Systems and Processes to Identify Risks

- Regular workplace inspections using TPM checklists to spot hazards and unsafe practices
- EHS walkthroughs involving cross-functional teams and top management for comprehensive safety reviews
- Group internal safety audits and external audits aligned with ISO 45001 standards
- Near-miss reporting system actively encourages employees on the shop floor to report potential incidents
- Detailed risk assessments for every machine within the plant
- Well-prepared location-specific evacuation plans with mapped fire extinguisher locations prominently displayed

Employee Awareness

- Continuous safety awareness initiatives are conducted to educate and engage 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.

Schaeffler India actively encourages employees and workers to report health and safety violations, including work hazards, near misses, and unsafe acts, through multiple channels.

These include:

- Daily shop floor meetings: Provide an opportunity for workers to report incidents or potential hazards regularly.
- Plant safety officers: Each site has designated safety officers who receive reports, investigate incidents, and develop action plans when required.
- Group-level reporting: A centralised incident reporting system enables any employee across locations to report issues, which are managed in coordination with EHS regional and central functions.

  This multi-tiered approach ensures timely incident detection, thorough investigation, and effective resolution to prevent recurrence.

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

Yes.

Schaeffler India offers comprehensive non-occupational medical and healthcare services to employees and workers, including access to cashless medical claims through group insurance-covered hospital chains, as well as maternity and paternity benefits. Health initiatives feature regular check-ups for employees aged 45 and above, mental wellness programmes such as yoga, periodic health assessments, and workplace inspections. Additionally, the Company conducts health awareness sessions led by medical officers and external doctors, focusing on seasonal and lifestyle-related diseases.

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

Safety incident/number	Category	2025 Current Financial Year	2024 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.86
	Workers	0.10	0.22
Total recordable work related injuries	Employees	0.00	3.00
	Workers	1.00	2.00
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

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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

Ensuring safety is Schaeffler India's top priority, supported by comprehensive training programs, risk assessments, safety committees, emergency preparedness drills, and advanced safety infrastructure. These measures collectively foster a strong safety culture and ensure continuous monitoring and improvement of workplace safety.

- Mandatory Safety Trainings: All employees undergo compulsory safety training, complemented by Group-level e-learning programmes specifically designed for supervisors.

- Safety DOJO Training: Hands-on, practical safety training is provided at all locations, focusing on employees working directly in operational areas (Gemba).
- Risk Assessments: Cross-location teams and third-party experts conduct regular risk assessments to identify occupational hazards and predefine mitigation measures.
- Walkthrough Surveys: Cross-functional teams (CFT) perform routine site surveys to identify and address safety concerns.
- Safety Committee Meetings: Regular meetings led by senior safety experts ensure evaluation and effective implementation of safety practices.
- Induction and Ongoing Awareness: New joiners receive e-learning on safety during induction, with periodic training and awareness sessions conducted for all employees.
- Emergency Preparedness: Conducts Regular mock drills and fire drills are conducted to prepare employees for emergency situations.
- Corrective and Preventive Actions (CAPA): Safety observations and audit findings drive continuous improvements through defined corrective and preventive actions.
- Safety Infrastructure: Facilities are equipped with gas detection systems, fire hydrants, fire detection, and personal announcement systems, and fire extinguishers.
- Emergency Response Teams (ERT): Trained ERT members are deployed across all shifts to manage emergencies, supported by a centralised crisis management team.

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

	2025 Current Financial Year			2024 Previous Financial Year		
	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	6	3	-	37	0	-
Health and safety	52	9	-	54	0	-

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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 undergoes strict internal EHS audits and internal control checks as part of its internal assessment.	

All our factories are ISO 45001 certified.

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 and safety practices and working conditions

1. Accident Investigation and Root Cause Analysis
   - Every safety-related accident is thoroughly investigated.
   - Post-incident root cause analysis is conducted and documented.
   - Investigation outcomes are communicated across the organisation to ensure awareness.
2. Corrective Actions via PDCA and Why-Why Analysis
   - Action plans are developed based on findings.
   - Corrective actions follow the Plan-Do-Check-Act (PDCA) methodology.
   - The Why-Why analysis technique is applied to identify underlying causes.
3. Horizontal Deployment of Lessons Learned
   - Insights and lessons from incidents are shared across all locations.
   - Enables horizontal deployment of corrective actions to prevent recurrence.
4. Annual Hazard Identification and Risk Assessment (HIRA)
   - HIRA is conducted annually for every machine.
   - Identified risks are addressed through formal action plans to ensure ongoing risk mitigation.

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. Schaeffler India Limited's benefits programme adopts an integrated approach to enhance employees' financial and social security, offering options such as notional gratuity, accident insurance, and death benevolence to safeguard against unfortunate events.

- Notably, the company's death benefit scheme provides beneficiaries with a lump sum payment equivalent to 120 months of the deceased employee's last drawn basic salary plus Dearness Allowance (DA), ensuring substantial financial support for the family in the event of the employee's demise.

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

Depositing statutory dues like TDS, GST and filing returns is a fundamental requirement for value chain partners. For any defaulters, we perform cross-checks using data from government portals through our system. If any discrepancies or mismatches are identified, the respective team engages with the value chain partners to review and rectify the issues.

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/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2025 Current Financial Year	2024 Previous Financial Year	2025 Current Financial Year	2024 Previous Financial Year
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.

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[1]	60%
Working Conditions[1]	60%

[1] Based on SAQ and ISO 45001 certificates

Note: The assessment covering the majority of purchasing spend was conducted through a Self-Assessment Questionnaire (SAQ), which is designed to indicate and verify supplier compliance on CSR and sustainability topics, including health and safety practices, working conditions, policies, processes, functions, tools, internal controls and ISO 45001 certification.

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 India Limited (SIL) ensures that all newly onboarded suppliers commit to responsible and ethical business practices by mandating the signing of the Business Partner Code of Conduct . Through this requirement, we ensure that our suppliers adhere to essential standards on health and safety, human rights, and fair working conditions for their employees.

Periodic supplier audits are conducted through multiple assessment mechanisms, including:

SIA – Supplier Initial Assessment, SSA – Supplier Surveillance Assessment, SRA – Supplier Rapid Assessment. These assessments evaluate suppliers on parameters such as workplace health and safety practices, adequacy of working conditions, and overall sustainability maturity.

In addition, Schaeffler India administers an annual Sustainability Self-Assessment Questionnaire (SAQ) for all relevant & identified suppliers. The SAQ covers a comprehensive range of topics including:

Company management systems, Human rights and working conditions, Occupational health & safety, Business ethics and anti-corruption, Environmental management Responsible supply chain practices, Responsible sourcing of raw materials.

Suppliers with low performance in the SAQ are escalated for an audit under the Responsible Supply Chain Initiative (RSCI) framework.

During the reporting year 2025, one supplier received a low SAQ score and was therefore referred for an RSCI audit. Improvement actions were jointly agreed upon, and the supplier is currently under the audit and remediation process.

To strengthen supplier capability and ensure continuous improvement, Schaeffler India also conducts periodic one-on-one training, direct coaching, and mentoring sessions for supplier teams. These interventions help improve understanding of sustainability expectations and promote responsible practices across the value chain.

Sustainability | Schaeffler India

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.**

   Schaeffler India has implemented a dynamic and strategic stakeholder engagement process consisting of identification and prioritisation. This process ensures focused engagement with key internal and external stakeholders critical to the Company's value creation and decision-making, which includes the following steps:

   Identification: Wherein we identify key stakeholder groups from a larger universe of all possible stakeholders. Identification of stakeholders is based on their material influence on the Company's ability to create value, and vice-versa. This ensures that engagement efforts target those most relevant to business and sustainability outcomes.

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

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

Stakeholder group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website, other)	Frequency of engagement (annually, half yearly, quarterly or others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	• Quarterly and Annual intimation of financial results through newspapers • Quarterly and Annual intimation of financial results to Shareholders via email • Annual Report circulation through email or sending hard copies of the Annual Report based on requests • Periodic plant visits for Shareholders • Newspaper notices • Investor and analyst meetings • Earnings conference calls • Press releases • Shareholders' meetings • Stock Exchange announcements • Company website	Annually/half-yearly/ quarterly/event-based	Financial performance, business updates, product and service offering, ESG updates, strategic priorities, awards and accolades, etc
Customers/ dealers/ distributors	No	• Publications • Media and digital communications • Conferences and customer meets/events • Personal visits • Customer surveys	• As and when required	• Information about products • Product/service quality and safety • Delivery conditions, feedback
Employees	No	• Employee surveys • Idea management • Internal media • One-on-one meetings • Conferences • Trainings • Workshops • Publications • Newsletters and reports • Online portals, Town Hall, Open House meetings	• Ongoing • As and when required	• To inform employees about the organisation's updates and events • To create awareness about business, including codes and values • To understand employee needs, opinions, and feedback
Suppliers and vendors	No	• Contracts/Agreements • SOPs • Guidelines • Training, Purchase Orders/Service orders, SupplyOn, Management meetings, Supplier Meet	• As and when required	• Sustainable sourcing • Clear information of "Terms & Conditions of Purchase" of supply delivery etc
Community/ associate partners/ NGOs	Yes	• Community meetings • Survey • Visits • Discussions	• As and when required	• To empower community and promote community development
Union/state government/ local government bodies	No	• Annual/quarterly reports • E-mail, hard copy letters • Meetings, as and when required • Communication through portals	• Ongoing • As and when required	• To comply with regulations/ applicable laws • To get approvals • To keep regulators informed
Media/rating agencies	No	• Press media releases • Spokesperson interviews and media interactions • Email media interactions • Company website • Company social media channels	• As and when required	• To inform and update on the Company's activities, achievements, and developments. • The engagement aims to maintain transparency, build public trust, and manage the Company's public image. • Key topics include new financial results, product launches, CSR initiatives, and strategic announcements

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) which is subordinate 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 and the Stakeholders. The Members of the Executive Leadership Team update the Board about economic, environmental, and social related topics during Board and Committee meetings. The Executive Leadership Team is responsible to seek feedback, inputs, and suggestions from the Board. The Executive Leadership Team takes initiative on prioritising our strategies and action plans to address the issues.
   - Schaeffler India conducts a materiality assessment every two years to identify key issues, including ESG topics, by engaging with various stakeholders. This process involves distributing questionnaires to stakeholders to evaluate and prioritise the relative importance of selected ESG matters. The assessment helps shape the Company's ESG initiatives and supports the development of a comprehensive strategic frame work. In the reporting years 2022 and 2024, Schaeffler India carried out the materiality analysis. The latest assessment included both financial and impact materiality to achieve a double materiality perspective. The evaluation was guided by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), analysing sustainability from both inside-out and outside-in viewpoints for a well-rounded approach.
   - We have Board Committees namely, Risk Management Committee, Corporate Social Responsibility Committee, Audit Committee etc. which take care of matters related to different stakeholders including economic, environmental, and social topics and update the Board on such topics.

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.
   - Sustainability audit outcomes from customers are incorporated into the decision-making process, and action plans are developed accordingly. This approach ensures continuous improvement in sustainability performance aligned with customer expectations.

- Schaeffler India conducts a materiality assessment every two years to ensure that the prioritisation of material ESG (Environmental, Social, and Governance) topics remains relevant and aligned with evolving stakeholder expectations and sustainability goals. In the previous year, Schaeffler India conducted a comprehensive materiality analysis guided by the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The assessment incorporated both inside-out and outside-in perspectives and identified 21 material issues through stakeholder consultations. Feedback from stakeholders was used to prioritise these topics, which supported the formulation of time-bound ESG strategies, short-term and long-term plans, target setting, and the establishment of monitoring mechanisms.
- Key ESG topics—including sustainability, ESG-related risks, climate change related risk, the ESG roadmap, and sustainability targets are regularly discussed in Schaeffler India's Risk Management Committee and Board meetings. This continuous dialogue reinforces the Company's long-term commitment to ESG while maintaining focus on short-term goals, ensuring agility and vigilance in its ESG efforts.

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

Schaeffler India's social responsibility is anchored in HOPE, our flagship CSR framework that drives integrated and long-term community impact across geographies. Our efforts span four core pillars:

Healthcare

We deliver last-mile primary healthcare through mobile health units, with a strong focus on preventive and curative healthcare. Our initiatives strengthen maternal and child health, reduce anaemia, and support communities in accessing government health schemes—ensuring improved health outcomes for underserved populations.

Occupational skilling

Our skilling ecosystem comprises industry-aligned technical and vocational training centres and dedicated women skill development programmes. These initiatives enhance employability, build entrepreneurial capabilities, and create sustainable livelihood opportunities for underprivileged youth and women.

Preservation of environment

Through natural resource management and climate-resilient agriculture initiatives, Schaeffler India promotes watershed development, soil and water conservation, and improved agricultural practices. We further empower rural communities by strengthening farmer collectives and village development committees to ensure long-term environmental sustainability.

Empowerment of society

We advance education and community development through support for STEM learning, pre-vocational skilling (IBT), and scholarship programs. In addition, we foster social innovation by partnering with IIMA Ventures for mentorship support. Together, these initiatives contribute to building inclusive, resilient, and future-ready communities.

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

	2025 Current Financial Year			2024 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1,775	1,653	93%	1,652	1,538	93%
Other than permanent	228	7	3%	150	113	75%
Total Employees	**2,003**	**1,660**	**83%**	**1,802**	**1,651**	**92%**
Workers						
Permanent	1,345	517	38%	1,270	1,229	97%
Other than permanent	3,021	962	32%	2,435	61	3%
Total Workers	**4,366**	**1,479**	**34%**	**3,705**	**1,290**	**35%**

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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

Category	2025 Current Financial Year					2024 Previous Financial Year				
	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)
Employees										
Permanent	1,775	0	0%	1,775	100%	1,652	0	0%	1,652	100%
Male	1,665	0	0%	1,665	100%	1,549	0	0%	1,549	100%
Female	110	0	0%	110	100%	103	0	0%	103	100%
Other than Permanent	228	0	0%	228	100%	150	0	0%	150	100%
Male	195	0	0%	195	100%	121	0	0%	121	100%
Female	33	0	0%	33	100%	29	0	0%	29	100%
Workers										
Permanent	1,345	0	0%	1,345	100%	1,270	0	0%	1,270	100%
Male	1,320	0	0%	1,320	100%	1,245	0	0%	1,245	100%
Female	25	0	0%	25	100%	25	0	0%	25	100%
Other than Permanent	3,021	0	0%	3,021	100%	2,435	0	0%	2,435	100%
Male	2,768	0	0%	2,768	100%	2,272	0	0%	2,272	100%
Female	253	0	0%	253	100%	163	0	0%	163	100%

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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	3,735,000	3[1]	8,500,000
Key Managerial Personnel (KMP)	2	28,368,294	1	16,825,824
Employees other than BoD and KMP	1,663	1,801,919	109	1,602,316
Workers	2,003	667,247	48	298,739

[1] This includes the remuneration paid to Independent Director Renu Challu in 2025, who has now concluded her term.

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

b. Gross wages paid to female employees as % of total wages paid by the entity, in the following format

	2025 Current Financial Year (%)	2024 Previous Financial Year (%)
Gross wages paid to female employees as % of total wages	5.2%	4.0%

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

4. Does the Company have a focal point (individual or committee) responsible for addressing human rights impacts or issues caused or contributed to by the Company? (Yes/No)

Yes.

Schaeffler India Limited has designated individuals and committees responsible for addressing human rights-related issues:

- The Regional Compliance Officer acts as the primary focal point for human rights concerns (Email: complianceindia@schaeffler.com)
- Human rights violations can be reported confidentially through the Whistle-Blower Channel. (Email: weo.india@schaeffler.com)
- At the plant level, Industrial Relations and Administration teams handle human rights-related matters
- Company-level oversight is supported through the POSH Committee and leadership forums such as Executive Leadership Team (ELT) townhalls, which reinforce awareness and accountability

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

Schaeffler India Limited has established formal grievance redressal mechanisms under the Human Rights Compliance Policy, applicable to all employees and extended, where relevant, to the supply chain.

The key mechanisms include:

- Policy framework: The Human Rights Compliance Policy defines binding requirements to respect human rights and prevent violations across business operations.
- Primary point of contact: The Regional Compliance Officer serves as the first point of contact for human rights-related concerns (Email: complianceindia@schaeffler.com).
- Whistle-blower mechanism: Employees and external stakeholders may report concerns, including human rights issues, through the Schaeffler Whistleblower System (https://schaeffler.speakup.report/en-GB/speakup-line/phone-numbers), which allows anonymous, confidential, and secure reporting and is available in multiple languages.
- Hotline reporting: Human rights grievances can also be reported verbally through designated global telephone hotlines available in several countries, with multilingual support, 24/7. All grievances are reviewed and addressed through established investigation and remediation processes to ensure timely and appropriate resolution.

Germany	:	+49 800 181 8952	(Language: German, English)
Singapore	:	+65 6403 7051	(Language: English, Malayan, Chinese, Tamil)
China	:	+86 4001201842	(Language: Chinese, English)
United States	:	+1 669 288 7154	(Language: English, Spanish)
Brazil	:	+55 11 4700 8838	(Language: Portuguese, English)

(If prompted, please enter Company Access Pin: 129150)

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

	2025 Current Financial Year			2024 Previous Financial Year		
	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	0	0	No POSH complaints received in the year 2025	1	0	The Internal Complaints Committee (ICC) is constituted to redress complaints received regarding sexual harassment. A complaint received in 2024 was investigated in the same year, and the investigation was concluded and punishment awarded in 2024, as required by the POSH Act.
Discrimination at the 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. Details of complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)

	2025 Current Financial Year	2024 Previous Financial Year
Total Complaints Data Needed under Sexual Harassment on of Women at Workplace (Prevention, Prohibition andRedressal) Act, 2013 (POSH)[1]	0	1
Complaints under POSH as a % of female employees/workers	0.0%	0.3%
Complaints under POSH upheld	0	1

[1] No POSH complaints received in year 2025

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

The Schaeffler India Limited has established formal mechanisms to ensure protection of complainants and prevent retaliation in cases of discrimination or harassment.

- **Anonymous reporting:** Complaints can be reported through the Schaeffler Whistle-Blower platform (SpeakUp system), which allows anonymous reporting and is accessible only to the Compliance function.
- **Confidentiality:** Complaints are handled with strict confidentiality to protect the identity of complainants and witnesses.
- **Anti-retaliation:** The Company follows a zero-tolerance policy against retaliation. Any adverse action against complainants or witnesses is subject to disciplinary action.
- **Fair investigation:** Complaints are investigated in a timely, impartial, and unbiased manner by trained internal teams or external experts, as applicable.
- **Support mechanisms:** Appropriate support measures are provided to complainants during and after the investigation process.
- **Multiple reporting channels:** Complaints may also be reported through HR, designated Ethics or Compliance Officers, or other internal grievance redressal mechanisms. These mechanisms are designed to ensure a safe, secure, and non-retaliatory environment for individuals raising concerns.

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

Human rights and sustainability requirements form part of Schaeffler India Limited's supplier engagement and contracting framework.

- All suppliers are required to acknowledge the Business Partner Code of Conduct as a mandatory part of the Business and Supplier Relationship Management (BSRM) process.
- During new supplier selection for production material categories, sustainability and human-rights-related criteria are embedded in the Supplier Initial Assessment (SIA) questionnaire.
- Selected suppliers are required to enter into Sustainability Target Agreements (STA), under which sustainability and human rights objectives are defined and monitored over the term of the agreement These mechanisms ensure that human rights expectations are integrated into supplier relationships and contractual engagements.

Sustainability | Schaeffler India

10. Assessments for the year

	% of Company's 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%

Note- Schaeffler India internal assessment done at 4 plants

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

Action initiated to cover 100% workforce to undergo training on Schaeffler Human Rights Policy and Prevention of Sexual Harassment Act.

Leadership Indicators

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

Nil

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

Schaeffler India Limited undertakes human rights due diligence through internal assessments and statutory audits, in alignment with Group frameworks.

Human rights due diligence is conducted through a structured questionnaire-based assessment, with 100% coverage of employees across the organisation. The Company's human rights due diligence framework is aligned with:

- UN Guiding Principles on Business and Human Rights
- National Action Plan on Business and Human Rights (NAP)
- Applicable local legislation

Human rights due diligence is implemented through the Human Rights Compliance Management System, which covers:

1. Accepting responsibility
2. Identifying risks
3. Introducing effective measures
4. Informing and reporting
5. Facilitating grievances

This framework applies to the Company's own operations and is extended, where applicable, to its supply chain and business partners.

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?

Schaeffler India Limited recognises the importance of compliance with the Rights of Persons with Disabilities Act, 2016, and has initiated measures to make its premises inclusive and accessible. A basic infrastructure development plan for persons with disabilities has been initiated across offices and plants. The facilities being implemented include:

- Appropriate signages
- Ramps, elevators, and handrails, where applicable
- Dedicated parking facilities
- Accessible washrooms/restrooms

The Company is in the process of progressively extending these accessibility measures across all premises to enhance inclusivity for visitors and employees.

4. Details on assessment of value chain partners

Schaeffler India Limited assesses its suppliers through a Sustainability Assessment Questionnaire (SAQ), implemented in a phased manner in line with Group guidelines. The SAQ covers key sustainability and human rights-related areas, including:

- Company management and governance
- Human rights and working conditions
- Health and safety
- Business ethics
- Environmental management
- Responsible supply chain management
- Responsible sourcing of raw materials

This assessment framework enables identification and management of sustainability and human rights risks within the supply chain.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	39%
Discrimination at workplace	39%
Child labour	39%
Forced/involuntary labour	39%
Wages	39%
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	39%

Note: There is a change in the criteria for selecting suppliers based on risk rating (E class), which has led to a decrease in the percentage of value chain partners covered by the SAQ (Supplier Assessment Questionnaire). The primary objective remains to address the risks associated with these suppliers and improve their performance.

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

Schaeffler India Limited follows a risk-based approach to address concerns identified through supplier sustainability assessments, including the Sustainability Self-Assessment Questionnaire (SAQ).

Suppliers with low SAQ scores are referred for further evaluation under the Responsible Supply Chain Initiative (RSCI) audit framework, in line with Group guidelines.

During FY2025, one supplier was identified with a low SAQ score and was referred for an RSCI audit. An improvement plan was defined, and the supplier is currently undergoing the RSCI audit process, with corrective actions being monitored as per agreed timelines.

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	2025 Current Financial Year	2024 Previous Financial Year
From renewable sources		
Total electricity consumption (A)(MJ)	183,334,875.1	153,805,840.2
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)(MJ)	**183,334,875.1**	**153,805,840.2**
From non-renewable sources		
Total electricity consumption (D)(MJ)	**302,821,109.0**	**260,680,074.0**
Total fuel consumption (E)(MJ)	**142,603,564.0**	**122,520,468.0**
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)(MJ)	**445,424,673.0**	**383,200,542.0**
Total energy consumed (A+B+C+D+E+F)(MJ)	**628,759,548.1**	**537,006,382.2**
% of energy consumed from renewable sources (Energy consumed through renewable sources(MJ)/total energy consumed(MJ))	29.2%	28.6%
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$)[1]	0.1	0.1
Energy intensity in terms of physical output (Total energy consumed (MJ)/physical output (number))	1.5	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 EMAS and M/s Intechnica.	Yes, M/s BSI Ltd., M/s EMAS and M/s Intechnica.

[1] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the years 2025 (20.64) and 2024 (20.29). Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Data sources

Emission factor (Grid): https://cea.nic.in/wp-content/uploads/baseline/2025/12/User_Guide_V_21.0.pdf

Conversion factor: https://matmake.com

Emission factor (fuel): Department for Energy Security and Net Zero - GOV.UK

Calculation tools and guidance: GHG protocol

2. Does the Company have any sites or 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 the targets set under the PAT Scheme have been achieved. In case the 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	2025 Current Financial Year	2024 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	138,792.0	130,726.0
(iii) Third party water	192,083.9	178,165.9
(iv) Seawater/desalinated water	Nil	Nil
(v) Others[2]	15,153.0	696.0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	346,028.9	309,587.9
Total volume of water consumption (in kilolitres)	250,186.8	214,211.9
Water intensity per rupee of turnover (Total Water consumed (KL)/Revenue from operations(₹))	0.000003	0.000003
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption(KL)/Revenue from operations adjusted for PPP (US$))[1]	0.00006	0.00005
Water intensity in terms of physical output (Total Water consumed (KL)/Physical output (number))	0.0006	0.0006

Parameter	2025 Current Financial Year	2024 Previous Financial Year
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 EMAS and M/s Intechnica.	Yes, M/s BSI Ltd., M/s EMAS and M/s Intechnica.

[1] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factors published by the IMF for the years 2025 (20.64) and 2024 (20.29). https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

[2] Other includes rainwater harvested from Hosur, Pune

4. Provide the following details related to water discharged

Parameter		2025 Current Financial Year	2024 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To Surface water	0.0	0.0
	No treatment	0.0	0.0
	With treatment – please specify level of treatment		
(ii)	To Groundwater	0.0	0.0
	No treatment	0.0	0.0
	With treatment – please specify level of treatment		
(iii)	To Seawater	0.0	0.0
	No treatment	0.0	0.0
	With treatment – please specify level of treatment		
(iv)	Sent to third-parties	0.0	0.0
	No treatment	0.0	0.0
(v)	Sent to Vadodara Municipal Corporation drainage		
	No treatment	0.0	0.0
	With treatment – tertiary treatment and discharge to Municipal Corporation	95,842.0	95,376.0
Total water discharged (in kilolitres) tertiary treatment		**95,842.0**	**95,376.0**
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 BSI Ltd., M/s EMAS and M/s Intechnica.	Yes, M/s BSI Ltd., M/s EMAS and M/s Intechnica.

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

[2] As per the consent conditions, treated water is partialy dischrged 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.

Schaeffler India Limited has implemented Zero Liquid Discharge (ZLD) mechanisms at three manufacturing locations: Talegaon (Pune), Savli (Vadodara), and Hosur, where 100% of treated wastewater is reused for internal applications such as processes, gardening, and cooling. At the Maneja (Vadodara) plant, treated wastewater is partially discharged to a Common Effluent Treatment Facility (CETP). Initiatives are underway to increase wastewater reuse and reduce freshwater consumption at this location.

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

Parameter	Please specify unit	2025 Current Financial Year[1]	2024 Previous Financial Year
NOx	Metric tonnes	7.2	6.4
SOx	Metric tonnes	0.5	0.5
Particulate Matter (PM)	Metric tonnes	0.8	0.8
Persistent Organic Pollutants (POP)	Metric tonnes	Not available	Not available
Volatile Organic Compounds (VOC)	Metric tonnes	23.9	16.5
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, M/s. EMAS and M/s. Intechnica	Yes, M/s. EMAS and M/s. Intechnica

[1] Details of Shoolagiri plant are not included. complete details will be avaibale from year 2026

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

Parameter	Please specify unit	2025 Current Financial Year	2024 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	10,627.9	8,886.1
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)[1]	tCO2e	0.0	0.0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 emissions (tCO2e)/ revenue from operations(₹))	tCO2e/₹	0.0000001	0.0000001
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 (tCO2e)/revenue from operations adjusted for PPP (US$))[2]	tCO2e/US$	0.000002	0.000002
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope1 and 2 emissions (tCO2e)/total physical output(number))	tCO2e/number	0.00003	0.00002
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 EMAS and M/s Intechnica	Yes, M/s BSI Ltd. M/s KPMG, M/s EMAS and M/s Intechnica

[1] Aligned with our 100% renewable energy target, the Company purchased International Renewable Energy Certificates (I-RECs) to offset Scope 2 emissions, resulting in a declared Scope 2 emission of zero for FY2025 and FY2024. The intensity ratio is based on market-based scope 2 emission. For details of location based emissions refer assurance statement enclosed.

[2] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factors published by the IMF for the years 2025 (20.64) and 2024 (20.29). https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Data source

Emission factor (Grid): https://cea.nic.in/wp-content/uploads/baseline/2025/12/User_Guide_V_21.0.pdf

Conversion factor: https://matmake.com

Emission factor (fuel): Department for Energy Security and Net Zero - GOV.UK

Calculation tools and guidance: GHG protocol

8. Does the entity have any project related to reducing greenhouse gas emissions? If Yes, provide details.

Yes.

Schaeffler India Limited (SIL) has implemented multiple projects to reduce GHG emissions through energy efficiency, renewable energy adoption, and process modernisation.

Key initiatives include replacement of inefficient compressors, chillers, motors, and hydraulic systems; optimisation of presses and compressed air usage; and heat-loss reduction through furnace upgrades and insulation measures. Scope 1 emissions have been reduced through adoption of alternative fuels and conversion of conventional furnaces to modern/ electric furnaces, resulting in ~90% emission reduction for those processes.

In FY2025, the Company achieved 100% renewable electricity consumption through a combination of rooftop solar installations, green Power Purchase Agreements (PPAs), and International Renewable Energy Certificates (I-RECs).

Further details are disclosed in Annexure E of the Directors' Report on conservation of energy.

Yes

Schaeffler India Limited (SIL) has implemented comprehensive energy efficiency programmes that have significantly reduced energy consumption, emissions, and costs. Major initiatives include equipment upgrades, renewable energy adoption, and emission reduction strategies, supported by carbon offset programs. Schaeffler India achieved 100% renewable energy usage in 2025 through a combination of rooftop solar installations, power purchase agreements, and purchase of International Renewable Energy Certificates (I-RECs).

1. **Energy efficiency initiatives**

Compressor replacement: Upgrade of air compressors for improved air efficiency and reduced power consumption.

Energy optimisation: Hydraulic press optimization to enhance energy use during assembly.

Old equipment replacement: Modernisation by replacing old chillers, compressors, and motors (e.g., Nova machine motor and Broach Hydraulic motor).

Heat recovery: Installing bell furnace covers to reduce heat loss due to radiation.

Process improvements:
Reducing air pressure on Jupiter machines.

Installing barrel heater jackets on IMD machines for better heating efficiency.

Hydraulic motor exchange: Replacement in broach machines for improved efficiency.

Innovation: A low-temperature zinc phosphate coating process has been developed and implemented at the Schaeffler India Maneja plant, which reduces energy consumption by approximately 70% compared to the prevailing zinc phosphate process and lowers costs by nearly 50% compared to the current cost incurred. In addition, it significantly reduces the CO2 footprint of bearing products.

2. **Renewable energy achievements**

Schaeffler India Limited achieved 100% renewable energy consumption by:

Purchasing International Renewable Energy Certificates (I-RECs)

Entering into Power Purchase Agreements (PPAs) for green energy

Installing rooftop solar panels at plant locations

3. **Emission reduction measures (Scope 1)**

Alternate Fuels: Adoption of alternative fuels to reduce direct emissions.

Furnace modernisation: Conversion of conventional furnaces to modern or electric furnaces, lowering emissions by approximately 90%.

For comprehensive details, please refer to Annexure E in the Directors' Report on conservation of energy..

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

Parameter	2025 Current Financial Year[5]	2024 Previous Financial Year
Total waste generated (in metric tonnes)		
Plastic waste (A)	299.2	316.5
E-waste (B)	5.06	2.8
Bio-medical waste (C)	0.03	0.0
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	2.25	11.9
Radioactive waste (F)	Nil	Nil
Other hazardous waste. Please specify, if any. (G)[2]	1,235.4	1,084.8
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)[3]	34,002.7	29,937.2
Total (A+B + C + D + E + F + G + H)	**35,544.7**	**31,353.2**
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$)[1]	0.000008	0.0000079
Waste intensity in terms of physical output (Total waste generated (MT)/physical output (number))	0.0000846	0.0000820
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, reuse or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	34,316.1	30,401.5
(ii) Reused	358.8	Nil
(iii) Other recovery operations	Nil	Nil
Total	**34,674.9**	**30,401.5**
Waste inetnsity (MT of Waste Recycled Recovered/Total Waste generated)	97.6%	97.0%
For each category of waste generated, total waste disposed by disposal method (in metric tonnes)		
Category of waste[4]		
(i) Incineration	0.0	315.9
(ii) Landfilling	15.0	137.1
(iii) Other disposal operations	Nil	Nil
(iv) Waste sent for co-processing	854.7	492.1
Total	**869.7**	**945.2**
Waste inetnsity (MT of waste disposal/total waste generated)	2.4%	3.0%
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 BSI Ltd., Tüv Nord Group, M/s. EMAS and M/s. Intechnica	Yes, M/s BSI Ltd. M/s KPMG, M/s. EMAS and M/s. Intechnica

[1] The revenue from operations has been adjusted for PPP based on the latest PPP conversion factors published for the years 2025 (20.64) and 2024 (20.29). https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

[2] Hazardous waste: Consists of process dust, chemical sludge, waste or residue containing oil.

[3] Non-hazardous waste: The major portion of non-hazardous waste consists of metal scrap and castings, which are sent back to the steel industry and foundries for recycling.

[4] Waste disposal methods: Land filling, co-processing/pre- processing through incineration with heat recovery, incineration, recycling, composting, cattle feeding

[5] All waste details are audited as a part of the Zero Waste to Landfill audit by the Tüv Nord Group for 2025.

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 waste.

We align our waste and resource management approach with India's Hazardous Waste Management Rules and global circular economy principles, prioritising waste prevention, material efficiency, and value recovery across operations. Our strategy focuses on minimising resource extraction, maximising material circularity, and eliminating landfill dependency.

- Schaeffler India achieved 97% waste recycling and recovery and achieved Zero Waste to Landfill status as of December 31, 2025.
- This has significantly reduced environmental burden by preventing land, soil, and groundwater contamination, minimising methane emissions from landfill disposal, and supporting Scope 3 emission reduction efforts.
- We are advancing waste-to-value initiatives by integrating circular design and operational excellence. A notable example includes converting foundry waste such as casting moulding sand—traditionally associated with ~50% wastage—into construction bricks, which were utilised in our greenfield projects, demonstrating closed-loop material integration.
- Hazardous waste streams, including ETP sludge and grinding sludge, are responsibly managed through authorised co-processing in cement kilns, reducing landfill reliance and enabling energy and material recovery. During the reporting period, 854.7 tonnes of hazardous waste was diverted for co-processing, ensuring environmentally sound treatment aligned with circular economy principles.
- We maintain strict compliance with global chemical management frameworks including REACH and RoHS, supported by a robust Declarable Substances Register, along with ongoing monitoring, verification, and supplier engagement.
- Further, we enable internal water circularity ensuring complete reuse of treated wastewater for process and utility applications.
- Returnable and reusable packaging solutions are deployed across the value chain to enhance resource efficiency, reduce waste intensity, and lower lifecycle environmental impacts.

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:

Sr. 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:

1.5	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 that required an Environmental Impact Assessment were undertaken by the Company.				

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

Sr. 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 Limited operations do not fall under any water-stressed areas.

(i) Name of the area

Schaeffler India Limited operations do not fall under any water-stressed areas.

(ii) Nature of operations

Schaeffler India Limited operations do not fall under any water-stressed areas.

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

Not applicable, since Schaeffler India Limited operations do not fall under any water-stressed areas.

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

Note: A comprehensive inventorisation activity for Scope 3 emissions is currently underway across all applicable categories. This effort is progressing to ensure accurate and complete assessment of indirect greenhouse gas emissions in alignment with sustainability reporting requirements.

3. With respect to the ecologically sensitive areas data needed at question 10 of Essential Indicators above, provide details of significant direct and 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. For example, green belt development is undertaken to enhance biodiversity within the premises, and lake development activities are carried out in villages surrounding the plants.

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

Sr. No.	Initiative undertaken	Details of the initiative (web link, if any, may be provided along with the summary)	Outcome of the initiative
1	Renewable energy	Purchased I-RECs	In alignment with our 100% renewable energy target, the Company purchased International Renewable Energy Certificates (I-RECs) to offset Scope 2 emissions, resulting in a declared zero Scope 2 emission for FY2025.
2	Energy efficiency	Compressor replacement to improve air efficiency, energy optimisation of assembly hydraulic press, old chiller replacement, Nova machine motor replacement, replacement of old compressors, bell furnace cover installation to reduce waste heat due to radiation, reduction of air pressure in Jupiter machine, barrel heater jacket installation on IMD machine, exchange broach hydraulic motor replacement	1.5 GWh savings achieved
3	Fresh water withdrawal	Rainwater harvesting; reuse or recycling of RO reject water for industrial purposes such as chillers and cooling towers; reuse of RO reject water in Segment 5-BB-140 area	15,935.13 m3 achieved
4	Zero waste to landfill	Hazardous waste sent for co-processing	854.7 tons of hazardous waste sent for co-processing/pre-processing, achieved zero waste to landfill in year 2025 (certification under process).

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

Yes.

Schaeffler India Limited (SIL) has established a robust Business Continuity, Contingency, and Crisis Management Policy focused on hazard prevention, ensuring uninterrupted customer supply, and effective crisis response. We have internal policy, namely, Business Continuity, Contingency and Crisis Management. The policy mandates employee adherence, defines escalation stages for incidents, integrates IT disaster recovery, and employs a risk management system with structured risk reporting and mitigation.

1. Policy objectives

   Deliver a clear regulatory framework for business continuity, with emphasis on:

   - Contingency management to prevent hazards and maintain customer supply.
   - Crisis management to manage and respond to serious incidents.

   Applicable to all employees within the scope.

2. Escalation and reporting

   Several escalation stages established to classify incidents:

   - Disruption
   - Emergency
   - Emergency with crisis potential
   - Local/regional crisis
   - Mandatory reporting of any situation, even if outside these categories, to maintain vigilance.

3. Proactive and integrated planning
   - Aims to develop a comprehensive, proactive approach for disaster preparedness, mitigation, and response.
   - Facilitates coordination across departments to manage emergencies effectively.

4. IT security and disaster recovery
   - Highest IT security standards maintained.
   - Comprehensive Information Technology Disaster Recovery Plan complements the Business Continuity Plan.

5. Specific Schaeffler Procedure
   - The “Contingency management with focus on the ability to supply” procedure (internal) defines roles and steps for production, distribution, and support functions.
   - Ensures the Company can continue to meet customer supply demands during emergencies or resource shortages.
   - Regulates technical, organisational, environmental, and safety measures to protect personnel and equipment.
   - Maintains customer contact and supply continuity even under contingency conditions.

6. Risk management system:
   - Reports potential risks using valuation criteria.
   - Defines and implements action plans to mitigate identified risks.
   - Supports continuous risk monitoring and improvement.

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?

No significant adverse environmental impacts specific to the value chain were identified during the reporting period. However, Schaeffler India Limited recognises potential environmental impacts associated with supplier operations, transportation, and packaging, and has implemented mitigation measures to address these risks.

Mitigation measures undertaken:

Sustainable supply chain

- More than 60% of Schaeffer’s inputs are sourced through sustainable sourcing.
- The assessment promotes alignment with the Company’s sustainability standards and drives continuous improvement within the supplier base.

Transportation optimisation

- Consolidated Distribution Centres (CDCs) have been implemented to optimise warehousing and logistics.
- CDCs enable improved load consolidation, reduced transportation distances, and lower fuel consumption and emissions.

Returnable packaging

- The Company collaborates with customers to adopt returnable packaging solutions.
- This initiative reduces single-use packaging waste and supports circular economy practices.

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

We have assessed 67% of our production material suppliers through Schaeffler Self-Assessment Questionnaire (SAQ) covering various aspects such as environmental impacts and certifications. Schaeffler encourages all suppliers to adopt 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?
300	67%[1]	No negative environmental impacts on its value chain

[1] based on PVO

8. How many green credits have been generated or procured?

	2025 Current Financial Year
a. By The listed entity	Nil
b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners	Details not available

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.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	The Automotive Component Manufactures 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, 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.

Sr. No.	Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil	Nil

During the current financial year, the 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.

Leadership Indicators

1. Details of public policy positions advocated by the entity

Sr. no	Public policy advocated	Method resorted to such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by the Board (annually, half yearly, quarterly or 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	Yes	NA	https://www.bis.gov.in/
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	Yes	NA	https://www.bis.gov.in/
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	Yes	NA	https://registrar.identitydigital.services/Auth/Login
4	BIS Technical Committee PGD13-Major amendment of IS 3090:2023 INSTALLATION AND MAINTENANCE OF ROLLING BEARINGS — CODE OF PRACTICE	The Company contributed to the redrafting of IS 3090:2023 and its final revision in 2024	Yes	NA	https://www.bis.gov.in/
5	BIS Technical Committee MTD16 – amendment of IS17111 -Heat - Treated steels, alloy steels and free - Cutting steels - Ball and roller bearing steels	Schaeffler contributed in by 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	NA	https://www.bis.gov.in/
6	BIS Technical Committee MTD16 - review of the revision of ISO 683:2020, Amendment 1,	Supported BIS MTD 16 in the review of amendments and the release of new standards; more than 10 standards were evaluated during the review process. Evaluated and reviewed applications received by BIS MTD 16 related to topics under QCO, applicable to requirements from different ministries.	No	NA	
7	BIS Technical Committee PGD13-Drafting and reviewing of existing standards in 2025	Reviewed and redrafted several clauses of existing IS standards IS 6454, 6455, 6456, 6457, 6458, 12102	Yes	NA	https://www.bis.gov.in/

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, a Social Impact Assessment (SIA) is not mandatory for any of the projects undertaken by us. However, demonstrating our commitment to social responsibility, the Company proactively assesses the need for and evaluates the impact of major CSR projects. This impact assessment is conducted in alignment with the CSR Rules of 2014.

Name and brief details of project Qualitative response	SIA Notification No qualitative response	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 require Rehabilitation and Resettlement (R&R). The majority of our plants and projects are located on land leased or owned by the 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 Financial Year (In ₹)
Not applicable					

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

We are committed to community development not only around our plant locations but also across other operational geographies. Schaeffler India actively engages with local communities and takes systematic measures to redress their grievances and concerns.

- To ensure transparent and accessible communication, we maintain open registers at all our plant locations, where community stakeholder groups can record their issues, feedback, or suggestions.
- In addition, community members may reach out to us through our implementing agencies and NGO partners, who remain in continuous engagement with village institutions, beneficiaries, and community representatives.
- We also provide multiple additional grievance redressal channels, including the option for community members to submit formal physical letters addressing their concerns directly to Schaeffler India. Furthermore, our contact numbers and email IDs are publicly available on our website and can be used for any grievance submission or follow-up communication: https://www.schaeffler.co.in/en/meta/contact/
- All concerns collected through these channels are discussed jointly with community members, elected representatives of Panchayats, and other local bodies.

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

	2025 Current Financial Year	2024 Previous Financial Year
Directly sourced from MSMEs/small producers	20.0%	20.0%
Directly from within India	85.5%	85.0%

Note: Excluding inter-company purchases

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	2025 Current Financial Year	2024 Previous Financial Year
Rural	57.0%	57.8%
Semi-urban	0.0%	0.0%
Urban	25.7%	23.3%
Metropolitan	17.2%	18.9%

(Place categorised as per RBI Classification System - rural/semi-urban/urban/metropolitan) Home | Government of India

Note: For calculation we are considering total number of employees and workers reported in 'Section A' IV.a

Allied services such as Canteen, Housekeeping, Security, Transportation, and Construction Workers are not included in the reported numbers.

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 Financial Year 2025.

Details of negative social impact identified	Corrective action taken
Not applicable	

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

(₹ in Million)

Sr. No.	State	Aspirational district/aspirational blocks	Amount spent
1.	Gujarat	Narmada	8.1
2.	Madhya Pradesh	Singrauli	35.1
3.	Maharashtra	Surgana (Nashik)	27.7
4.	Tamil Nadu	Thiruvannamalai (Jawathu Hills)	14.0

Note: 1. Out of 112 aspirational districts notified by NITI Aayog (Sr. no 36 as per list).
2. Out of 112 aspirational districts notified by NITI Aayog (Sr. no 69 as per list).
3. Out of 500 as per The Aspirational Blocks Programme (ABP), (Sr. no 276 as per list of aspirational blocks)
4. Out of 500 as per The Aspirational Blocks Programme (ABP), (Sr. no 379 as per list of aspirational blocks)

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

No. Our organisation selects suppliers based on a comprehensive evaluation of parameters including cost, quality, delivery, technology, and sustainability. Suppliers must comply with established sourcing guidelines before being awarded projects. Additionally, collaboration with MSME suppliers focuses on enhancing their technical capabilities and quality standards.

(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

Sr. 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

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised group
1	Schaeffler India HOPE Engineering Scholarship Program	109	100
2	Women Skill Development Project	251	100
3	STEP Vadodara	358	100
4	Mobile Health Unit – Talegaon	16,449	100
5	Pre-Vocational Education Program in Govt Schools	1,133	100
6	Mobile Health Unit – Hosur	6,554	100
7	Energy-Efficient Cookstove Project	42,566	100
8	Wadi - Agro Horti Forestry Project	1,600	100
9	Mobile Science Lab – Hosur	3,459	100
10	Mobile Science Lab, Vadodara	5,660	100
11	Nitara - Phase II	85	100
12	Mobile Health Unit - Vadodara	35,238	100
13	Jal Jeevika - Watershed Project	4,254	100
14	SAKSHAM: Empowering Every Ability	239	100
15	School Infrastructure Improvement Project	1,417	100
16	Skill Development of Youth in STEP Center, Pune	181	63
17	Pre-vocational Education Program in Govt Schools - Phase II	1,974	100
18	Schaeffler Skill Development Center in Hosur	300	63
19	Watershed Project Hosur	4,298	100
20	Watershed Project Jawadhu Hills	2,734	100
21	Community Drinking Water and Infrastructure Project	280	100

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.**

   At Schaeffler India, we have a robust system in place for tracking and addressing customer complaints effectively

   - Our process is guided by the Schaeffler Global Handbook, which provides a comprehensive procedure for receiving and resolving customer complaints and feedback.
   - The entire complaint management workflow is administered through SAP IQOS, enabling end-to-end tracking of complaints and identification of necessary corrective actions.
   - Customer concerns related to key accounts are managed by the respective Key Account Contact Manager.
   - For regional accounts, complaints or concerns are initially handled by the Sales Head of the relevant business unit. If needed, these issues are escalated to appropriate functions such as Quality, Delivery, or others for resolution.
   - At scheduled intervals, customer satisfaction trends are analysed and assessed by top management to inform directives for enhancement.

   Note: Schaeffler India Limited supplies its products to OEM companies, which use these intermediary products in their final product sold to the 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/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 comply with the Legal Metrology (Packaged Commodities) Rules, 2011 for product labeling. Additionally, we adhere 100% to REACH and IMDS guidelines to ensure our products meet regulations regarding restricted and hazardous substances.
Safe and responsible usage	100%	All products are designed and manufactured in accordance with Schaeffler's internal product safety guidelines. The outer packaging of each product prominently displays the "Recyclable" symbol.
Recycling and/ or safe disposal	100%	All our products comply with the Global Material Governance Standards, adhering strictly to specified thresholds for restricted elements to ensure limits are never exceeded. We also follow the IMDS (International Material Data System), a globally recognised, internet-based system for declaring the safe use and disposal of parts.

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

	FY 2025 Current Financial Year		Remarks	FY 2024 Previous Financial Year		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	-
Restrictive trade practices	Nil	Nil	-	Nil	Nil	-
Unfair trade practices	Nil	Nil	-	Nil	Nil	-
Other	59[1]	3[2]	[1] - Considered all justified zero km(CCO) complaints for the year [2] - The number of complaints that have remained unresolved for more than six months is reported here, with delays justified by the (CCO) due to extended lead times required for corrective actions.	46[1]	Nil[2]	[1] - Considered all justified zero km(AF) complaints for the year [2] - Number of complaints not closed more than 6 months (AF justified)

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls	0	Not applicable
Forced recalls	0	Not applicable

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.

   Cybersecurity at Schaeffler is a comprehensive effort that spans multiple functions across the orgainsation. We have established robust and effective cybersecurity procedures as defined by the Schaeffler Group. Our operations strictly follow Group-wide policies on cybersecurity and data privacy.

   We are guided by the Code of Conduct, which emphasises the "protection of personal data," reflecting our strong commitment to safeguarding the data of both our customers and employees. The Group's privacy policy, which we adhere to, is publicly accessible on our company website: https://www.schaeffler.co.in/en/meta/privacy-policy/.

   In addition to the Group-level policies, we maintain internal information and cybersecurity policies. Our internal framework addresses cybersecurity challenges and data privacy risks comprehensively. This framework ensures compliance with applicable legal and normative requirements related to information security and data protection, as well as the specific requirements of our customers. To maintain and verify compliance, we conduct regular risk assessments and effectiveness evaluations through both internal and external information security audits.

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.**

   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 anwers to above questions is nil.

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's teams aware on safe and responsible usage. From our end, we regularly seek customer permission to present Technical Seminars which cover various aspects including product safety and user safety.
   - We regularly conduct customer meets where all the customers of a region are invited and knowledge on safety as well as queries are handled.
   - Technology workshops with OEMs are arranged to enhance customer knowledge and understanding.
   - 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/
   - During dealer training sessions and workshops, we provide detailed explanations of the product and its manual to ensure a thorough understanding.

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

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   - We follow the procedure "Contingency Management with Focus on the Ability to Supply", available in the Management Handbook (internal document). The procedure specifies the actions required for production and distribution at the site, as well as relevant support and service functions, to ensure continuity of customer supply in the event of resource outages or other defined emergency situations. This Group procedure regulates the technical, organisational, environmental and safety-oriented measures, along with the responsible areas and departments, to prevent hazards to persons and equipment, maintain customer communication and ensure continued supply of goods and services during contingency situations.
   - Key account managers serve as the primary points of contact for customer support and query resolution.
   - 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 and 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.
   - A robust process is in place to manage contingency situations and mitigate the risk of disruption or discontinuation of essential services to customers.

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

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 ensure that all our products display clear and accurate information in compliance with applicable local laws and regulations. Beyond complying with legal requirements, we offer additional product information to help customers gain a deeper understanding of our offerings. 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 and assembly details of products. In our media library, you will find catalogues, brochures, mounting instructions, technical product information, data sheets and other publications relating to our products .

   Technical publications by the Automotive Aftermarket Division like brochures, installation guides, or service information are available at our garage portal www.repxpert.com.

   More details about our products and services can be found on the following link: https://www.schaeffler.co.in/en/products-and-solutions/.

   Customer Satisfaction Surveys

   We conduct customer surveys biennially to assess consumer satisfaction concerning major products, key locations of operations, and the overall business entity. Our most recent survey was conducted in 2025. The survey feedback is thoroughly analysed and discussed, serving as a basis to develop strategies aimed at resolving any identified issues.

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

bsi.

INDEPENDENT ASSURANCE OPINION STATEMENT

To, Schaeffler India Limited (SIL)

Holds Statement No.: 840998-2

The British Standards Institution (BSI) has conducted a reasonable assurance engagement on the sustainability information (described in the "Scope") in the Business Responsibility and Sustainability Report (BRSR Core KPI's) for CY 2025 of Schaeffler India Limited (SIL)

Scope

The scope of engagement agreed upon with Schaeffler India Limited (SIL) includes the following:

The assurance covers the information of the following subject matters in the Business Responsibility and Sustainability Report (BRSR Core KPI's) for the reporting period of 1st January 2025 to 31st December 2025 (CY 2025).

- 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), P3:E11
- Enabling Gender Diversity in Business - P5:E3(B), P5:E7
- Enabling Inclusive Development - P8:E4, P8:E5
- Fairness in Engaging with Customers and Suppliers - P9:E7, P1:E8
- Open-ness of business – P1:E9

The selected information's are reported in accordance with Business Responsibility and Sustainability Report (BRSR Core KPI's).

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.

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Opinion Statement

We have conducted a reasonable assurance engagement on the sustainability information described in the "Scope" above (BRSR for CY 2025 covering core KPIs mentioned in Annexure-I: format of BRSR core, provided by SEBI, 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 aspects, in accordance with the Business Responsibility and Sustainability Report (BRSR Core KPI's) for the reporting period 1st January 2025 to 31st December 2025.

Methodology

Our assurance engagements were carried out in accordance with ISAE3000 (Revised) assurance standard following the principles of Integrity, Objectivity, Professional competence and due care, Confidentiality, and Professional behaviour. ISO 14064-3:2019 assurance standard is used for information related to GHG statement. Our work was designed to gather evidence on which to base our opinion conclusions.

We undertook the following activities:

- Assessment of the organization's reporting and management processes concerning this reporting against the principles of relevance, completeness, reliability, neutrality, understandability.
- Data verification on reasonable level sampling including asking for internal controls and implementation of internal controls, SOPs for data gathering and reporting mechanism.
- Interviews with staffs involved in sustainability management, BRSR report preparation and ESG data management and calculation of final numbers.
- Document review of relevant systems, policies, and procedures wherever available.
- Review of supporting evidence for claims made in the reports.
- Traceability of information from the origin and testing at site for measurement procedures
- Review of data pertaining to the sampled units of TSIL, to confirm the data collection processes, record management practices, and check BRSR Core KPI's physically and through virtual mode.

Responsibility

Schaeffler India Limited (SIL) is responsible for the preparation and fair presentation of the sustainability information in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

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Independence, Quality Control and Competence

BSI is independent to Schaeffler India Limited (SIL) and has no financial interest in the operation of The Schaeffler India Limited (SIL) other than for the assurance of the sustainability statements contained in the Business Responsibility and Sustainability Report (Core KPIs).

This independent assurance opinion statement has been prepared for the stakeholders of Schaeffler India Limited (SIL), only for the purposes of verifying its statements relating to its environmental, social and governance (ESG) KPI's as required in SEBI-BRSR Core Format, more particularly described in the Scope above and detailed in Appendix-A.

This independent assurance opinion statement is prepared on the basis of review of information provided to BSI by Schaeffler India Limited (SIL). In making this independent assurance opinion statement, BSI has assumed that all information provided to it by Schaeffler India Limited (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 has extensive experience in conducting verification over environmental, social and governance (ESG), GRI Universal Standard 2021, AA1000AS, ISO10002, ISO 14001, ISO 45001, ISO 14064, ISO 14067, 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: 22-03-2026

For and on behalf of BSI:

Ishan

Ishan Mehrotra, Lead Assurer

Emmanuel Herve, Managing Director, South & South East Asia (S&SEA)

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Appendix A

Sr. No.	Attribute	Parameter	Unit of Measurement	Final Value	Cross Reference to BRSR
1	GHG Emissions	Total Scope-1 Emissions	tCO2e	10627.9 *Emission factors used are from IPCC- GWP values from AR6, UK-Defra 2025, CEA database version 21, third party tools*	P6-E7
		Total Scope-2 Emissions	tCO2e	Location based-92221 Market based- 0 *Published are location-based emission numbers, organization also has purchased iRECs in the corresponding year totalling 142317 MWH.*	
		GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (tCO2e) / Total Revenue from Operations adjusted for PPP:	0.0000024 *Intensity ratio is basis on market-based scope-2 consideration*	
		GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (tCO2e) / product output(numbers)	0.00003	
2	Water Footprint	Total water consumption	KL	250186.8	P6-E3, E4
		Water consumption intensity	KL/(PPP adjusted revenue from operations) USD	0.00006	
		Water consumption intensity	KL/ product output(numbers)	0.0006	
		Water Discharge by destination and levels of Treatment	KL	95842 *Tertiary treatment and discharge to municipal network*	
3	Energy Footprint	Total Energy Consumed	MJ	628759548.1	P6-E1
		Percentage of energy consumed from renewables	%	29.2%	
		Energy Intensity	MJ / USD (PPP adjusted revenue from operations)	0.1	
		Energy Intensity	MJ / physical output(number)	1.5	

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4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	299.2	P6-E9
		E-waste (B)	MT	5.06	
		Bio-medical waste (C)	MT	0.03	
		Construction and demolition waste (D)	MT	0.00	
		Battery waste (E)	MT	2.25	
		Radioactive waste (F)	MT	0.00	
		Other Hazardous waste. Please specify, if any. (G)	MT	1235.4 *Process dust, chemical sludge, Waste or Residue Containing Oil*	
		Other Non-hazardous waste generated (H).	MT	34002.7 *MS Punching, MS Boring, Steel dust CI Boring, garden waste*	
		Total waste generated ((A+B + C + D + E + F + G + H)	MT	35544.7	
		Waste intensity	MT/ USD (PPP adjusted revenue from operations)	0.000008	
		Waste intensity	MT/ product output(nos.)	0.000085	
		For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	MT recycled	34316.1	
			Intensity (recycled/total generated)	97.6%	
		For each category of waste generated, total waste disposed by nature of disposal method – other disposal options	MT	869.7 *Land filling, Co-processing, Incineration, Recycling, Composting, cattle feeding, pre-processing*	
			Intensity (other disposal option/total generated)	2.4%	
		Spending on measures towards well being of employees and workers (including permanent and other than permanent)	Cost incurred on well-being measures as a % of total revenue of the company	0.11% *Also includes yoga day, family engagement, festival celebration.* *Occupational health centres costs excluded.*	

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5	Enhancing Employee Wellbeing and Safety	Details of safety related incidents for employees and workers (including contract-workforce)	Safety Incidents: Permanent Disability	0	P3- E1(C) P3- E11
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees – 0 Workers – 0.1	
			No. of fatalities	0	
6	Enabling gender diversity in business	Gross wages paid to females as % of wages paid(permanent, other than permanent- employee and workers)	In % age terms	5.2% *While calculating percentage, total salaries and wages are derived from the HR payroll records for denominator.*	P5-E3(b), E7
		Complaints on POSH (including permanent and other than permanent)	Total Complaints on Sexual Harassment (POSH) reported	0	
			Complaints on POSH as a % of female employees/ workers	0	
			Complaints on POSH upheld	0	
7	Enabling inclusive development	Input material directly sourced from MSMEs/ small producers from within India, as percentage of total purchase (Viz., raw material, spares, services, capex procurement items etc.)	In % terms -As % of total purchases by value	20% *While calculating this ratio, intercompany purchases are excluded in the denominator.*	P8-E4,E5
		Directly from within India	In % terms -As % of total purchases by value	85.5%	
		Job creation in smaller towns -Wages paid to persons employed in smaller towns (permanent or other than permanent) as % of total wage cost	In % terms -As % of total wage cost	Rural – 57% Semi-urban – 0% Urban – 25.7% Metropolitan – 17.2% *Canteen, Housekeeping, Security, Transportation, construction workers not included while calculating this ratio.*	
8	Fairness in Engaging with	Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events	Nos.	0	P9-E7 P1-E8

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	Customers and Suppliers	Number of days of accounts payable	Days	70 *While calculating the KPI, capex cost is not included in the denominator summation.*	
9	Openness of business	Concentration of purchases and sales done with trading houses, dealers/distributors	Purchases from trading houses as % of total purchases	3.2% *Trading houses are identified basis on trading activity with SIL exclusively.*	P1-E9
			Number of trading houses where purchases are made from	290	
			Purchases from top 10 trading houses as percentage of total purchases from trading houses	37.7%	
			Sales to dealers / distributors as % of total sales	14.6%	
			Number of dealers / distributors to whom sales are made	291	
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	34.4%	
		Share of RPTs (as respective %age) in	Purchases with related parties / Total Purchases	41.1%	
			Sales to related parties / Total Sales	14.3%	
			Loans & advances given to related parties / Total loans & advances	100%	
			Investments in related parties / Total Investments made	100%	

While responding to BRSR core KPIs, organization has also referred to latest SEBI circular, dated 20th Dec.'2024, ref: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177.
Break-up of scope-1/2 plant wise:

Scope	FBI*	IBI*	RMI*	SFI*	SSI*	Offices including HO	Total
Scope-1(tCO2e)	3411	806	3511	2602	37	262	10628
Scope-2(Location based) (tCO2e)	30748	20917	14239	24459	1277	581	92221

*Refer appendix B for plant locations.

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Appendix B: List of locations included in the assurance boundary:

S. No.	States	Locations	Manufacturing Locations
1	Maharashtra	Talegaon (IBI)	A-3, Talegaon Industrial Park, Talegaon Dabhade, Pune, Maharashtra 410507
2	Gujrat	Savli (SFI)	Plot No. 01, Alindra, Manjusar GIDC, Phase-03, Savli, Vadodara – 391775
3	Gujrat	Maneja (FBI)	Schaeffler India limited, JD nagar, Maneja, Vadodara – 390013
4	Tamilnadu	Hosur (RMI)	PB 20 survey no 950, Rayakottah Road, HOSUR, Krishnagiri, Tamil Nadu, 602102
5	Tamilndau	Shoolagiri (SSI)	Plot No 29 SIPCOT industrial park, phase IV Tal Shoolagiri , Shoolagiri , Shoolagiri Berigai Road ,Shoolagiri Bus stop, Nallaganakothapalli Krishangiri Tamilnadu 625117
Offices			
6	Haryana	Gurugram	6th Floor, Vatika Triangle, Block no F South city I, Gurugram, Haryana 122002.
7	West Bengal	Kolkata	Unit No. 1310, 13th floor, Merline Infinite, DN 51, Sector V Salt Lake, 700064, Kolkata 91
8	Maharashtra	Mumbai	1401-1403, 14th Floor Kesar Solitaire, Palm Beach Road, plot no. 5 Sector 19, Sanpada 14th floor, Navi Mumbai 400705
9	Karnataka	Bengaluru	Cauvery Senate, Municipal No. 10/1-1, PID No. 02-172-10/101, Raghavendra extension, Yeshwanthpur, Tumkur Road, Bengaluru 560022.
10	Tamilnadu	Chennai	Tower, Seethakathi Business Centre, 6th floor, No. 272/688, Anna Salai, Thousasnd Lights Chennai 600006.
11	Maharashtra	Pune	Amar Sadanand Tech Park, Plot no. 3, Survey no. 105/3 140/1, Baner Pune 411045.

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Directors' Report

Dear Shareholders,

Your Directors are pleased to present 63rd Annual Report of the Company together with the audited financial statements (Standalone & Consolidated) of the Company for the year ended December 31, 2025.

Standalone Financial Highlights

(₹ in million)

Particulars	2025	2024
Net revenue	93,953	80,763
EBITDA[1]	18,376	14,969
Less: Depreciation/ Amortisation	3,288	2,688
Less: Finance cost	42	35
Add: Interest income	1,074	929
Profit before exceptional items and tax	16,120	13,175
Provision for tax	4,158	3,398
Profit after tax	11,962	9,777

[1] Earnings before Interest, Tax, Depreciation and Amortisation.

Financial and Operational Performance

Performance of the Company and State of Company's Affairs

Your Company's Revenues was ₹93,953 million in the year 2025 (Year 2024: ₹80,763 million) which is higher by 16.3%.

Profit before tax (before exceptional items) was ₹16,120 million (Year 2024: ₹13,175 million) representing a growth of 22.3%. Your Company recorded profit after tax of ₹11,962 million (Year 2024: ₹9,777 million) which represent a growth of 22.4%.

Global Outlook

The global economy demonstrated strong resilience throughout 2025, consistently outperforming expectations despite a backdrop of historic trade tensions and heightened policy uncertainty. This stability was primarily due to strategic front-loading of trade activities and proactive supply-chain adjustments across industries. Furthermore, the limited pass-through of tariffs, coupled with easing global financial conditions and a significant surge in AI-related capital expenditure, provided the necessary momentum to sustain growth.

According to the world bank, global growth is estimated to have averaged 2.7% in 2025, supported by the stronger-than-expected performance of major economies. For advanced economies, growth reached to 1.7% in 2025 but it is anticipated that it will soften to 1.6% in 2026 as the weight of trade barriers begins to affect broader economic activity. These projections balance headwinds of restrictive trade policies against the continued support from fiscal measures, monetary easing, and sustained investment in emerging technologies. Meanwhile, EMDEs (Emerging Markets and Developing Economies) displayed robust performance with an estimate of 4.2% growth rate in 2025. In particular, the Chinese economy proved resilient, bolstered by significant fiscal stimulus and a strategic pivot toward non-U.S. export markets.

Looking ahead to 2026, the outlook for global trade remains dampened by tensions and the continued uncertainty surrounding tariff policies. The growth in trade volumes were largely due to advanced procurement of goods ahead of anticipated tariff hikes. As per IMF global growth is projected at 3.3% for 2026 backed by technology investment, fiscal and monetary support, accommodative financial conditions, and private sector adaptability.

Inflation is gradually normalising across major economies, though it has yet to return to pre pandemic levels. As per IMF global inflation is projected to continue its decline, with headline inflation falling to 3.8% in 2026 and 3.4% in 2027, with overarching trends of softening demand and lower energy prices remaining intact.

Financial markets experienced a period of easing in the latter half of last year, driven by a shift toward more accommodative U.S. monetary policy in response to softening labor market. This positive sentiment extended to Emerging Markets and Developing Economies (EMDEs), which saw significant debt-related capital inflows. These economies also benefited from a weaker U.S. dollar, which enhanced returns on local currency bonds.

The US economy is aided by fiscal support, easier financial conditions, and reduced trade uncertainty. As per Deutsch Bank, growth is expected to broaden with the Fed rate cuts. The euro area faces risk marked by cyclical resilience alongside structural rigidities. In 2026, domestic tailwinds including Germany's expansionary fiscal spending and defence outlays are expected to outweigh external risks.

As we navigate this complex landscape, the interplay between policy-driven headwinds and technology-led investments will be the defining factor for global economic momentum.

India Outlook

India's growth outlook remains buoyant, with both global and domestic institutions upgrading their assessments on the back of strong economic fundamentals. The Reserve Bank of India recently revised the country's GDP growth forecast for FY 2025-26 upward to 7.3%, rising from an earlier estimate of 6.8%. This upward momentum is fueled by several converging factors: robust domestic demand, the rationalization of income tax and Goods and Services Tax, softer crude oil prices, and the strategic front-loading of government capital expenditure.

The domestic growth story is further bolstered by favorable agricultural prospects and the sustained positive effects of policy reforms. A benign inflation environment with CPI inflation easing from 4.3% in early 2025 to multi-year lows in the second half of the year has provided a stable backdrop for economic activity. These conditions, coupled with the strong balance sheets of both corporate and financial institutions, ensure that credit flows to the business sectors remain healthy. Inflation in India is expected to go back to near target levels after a marked decline in 2025 driven by subdued food prices. The RBI now forecasts FY26 CPI inflation to moderate to 2.0%.

India's trade strategy is shifting with the rise of a multipolar global economy led by the USA, EU, China, and the emerging Global South. Instead of aligning with a single bloc, India