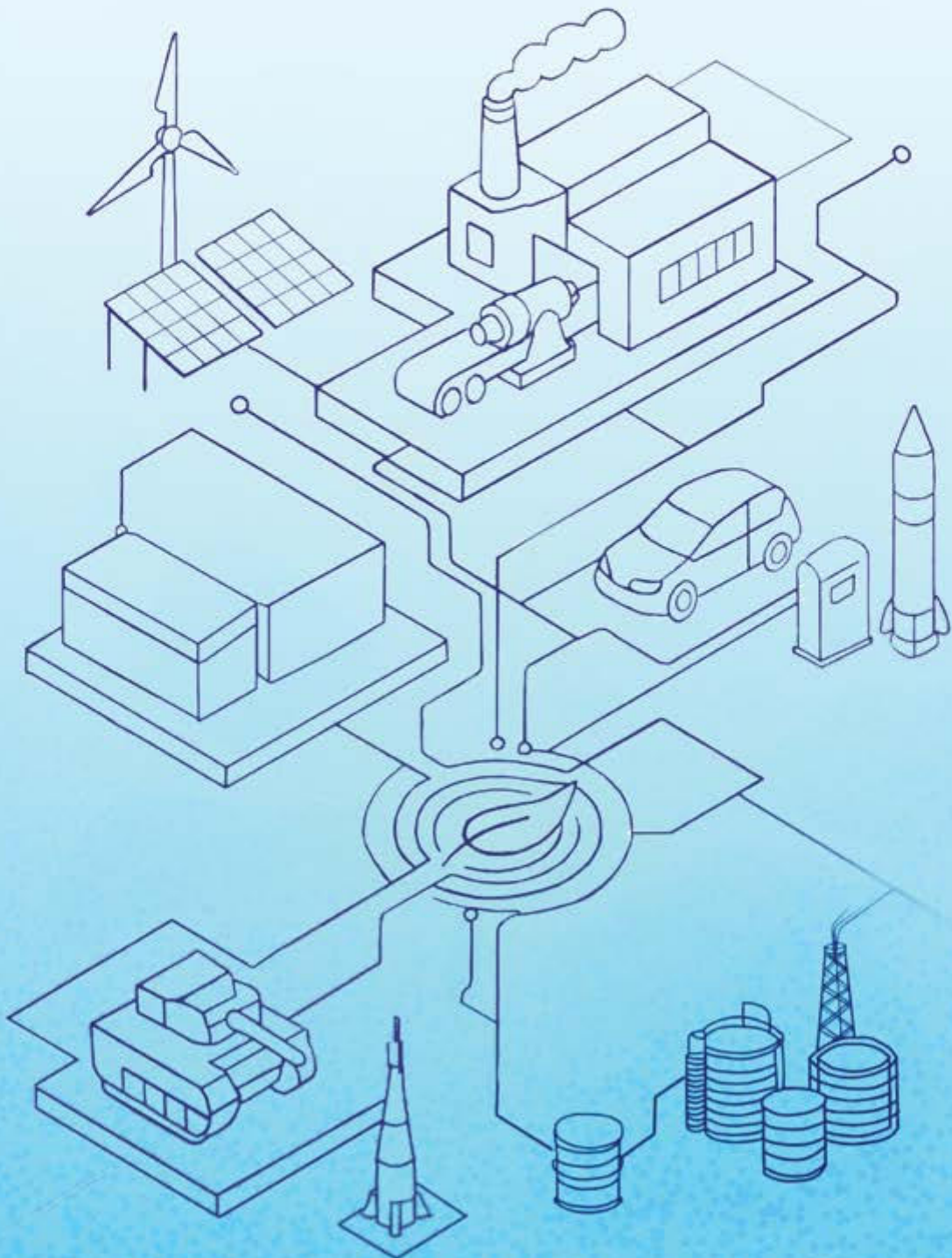
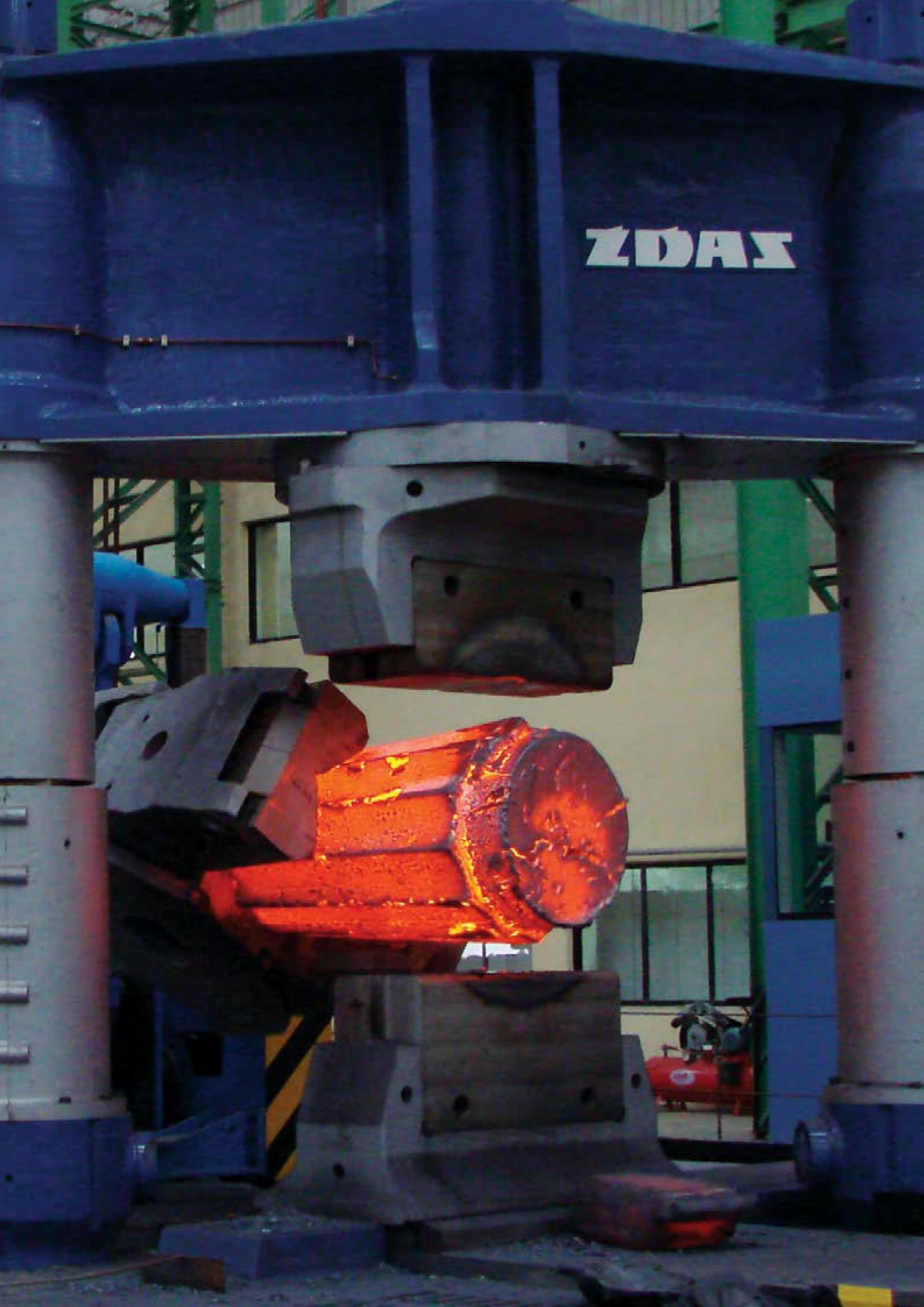


Driven by **Responsibility**, powered by **Innovation**





Contents

08-41		62-85	
Company Profile		People	
Leadership message	02	Employee Engagement and Well-being	63
About Us	12	Diversity and Inclusion	72
Our Journey	14	Talent development and Upskilling	75
ESG Snapshot	16	Employee benefits	80
Awards and Accolades	18	Health and Safety	82
Operational Excellence	20		
Product Stewardship	22		
Stakeholder engagement	24		
Material Assessment	26		
Sustainability Strategy	30		
• Sustainability Roadmap	31		
Climate Risk Assessment	34		
• Physical Risk assessment	35		
• Transitional Risk Assessment	37		
Economic value generated and Distributed	40		
42-61		86-113	
Governance		Environment	
ESG Ratings	43	Key Initiatives	87
Leadership Accountability	45	Energy	90
Board effectiveness and Engagement	49	Emissions	96
Risk Management	50	Air emissions	99
Cybersecurity and Data Governance	51	Water Management	100
Human Rights	54	Waste Management	105
Ethics and Integrity	56	Circularity in Practice	112
Technology and digitisation	59		
114-122		123-128	
Community Engagement		Supply Chain Management	
Village Development	116		
Education	118		
Health	119		
Skill Development	120		
Sports	121		
129-133		134-137	
GRI content index		Assurance Statement	



Download this report or read online at www.bharatforge.com

Leadership message

Chairman and MD's Message

GRI 2-22

“We are expanding our renewable energy portfolio, with a target to source 80% of our electricity from renewable sources by 2030.



Dear Stakeholders,

As I reflect on the past year, I am filled with immense optimism for the journey ahead. At Bharat Forge, we have always believed that true progress is measured by the strength of our commitment to a better future. This year's Sustainability Report testifies to the collective spirit that guides us. It is about how our deep engineering know-how and cutting-edge innovation have propelled us from a single forging Company to a global leader in safety-critical components. We strive to forge a legacy of excellence that benefits not only our valued customers but also our planet and all its people.

Navigating a Dynamic World

The fiscal year 2024-25 unfolded against a complex global environment. While geopolitical shifts and economic headwinds undoubtedly introduced uncertainties, the global economy demonstrated resilience, with forecasts indicating stable, albeit moderate, growth. Against this backdrop, India continued to distinguish itself as a beacon of stability and a formidable engine of growth, maintaining a robust growth rate of 6.5% for the fiscal year. This resilience is fundamentally built upon strong domestic consumption, strategic policy measures and a vibrant manufacturing sector. As a nation, we are not merely navigating the present; we are actively shaping a more influential role in the global order.

India's Commitment to a Sustainable Future

India's development narrative is now inextricably linked with its ambitious climate goals. The nation has made significant strides in aligning with global sustainability mandates, demonstrating its resolve to embrace a green future. This commitment crystallises in bold national targets, notably those outlined in the 'Panchamrit' action plan at COP26, which charts a course towards substantial renewable energy capacity and a systematic reduction in emissions intensity, all culminating in the aspirational goal of net-zero emissions by 2070. This proactive stance, further bolstered by frameworks like the Business Responsibility and Sustainability Reporting (BRSR), provides a powerful impetus for

“Through focused CSR initiatives encompassing village development, education, health services and empowering women, we have impacted over 3,00,000 lives.

corporates like us to accelerate our own sustainability journeys. We perceive this national commitment not as a mere compliance mandate but as a collective mission to build an economy that flourishes in perfect harmony with our planet.

Our Blueprint for Responsible Growth

At Bharat Forge, we have long embraced the conviction that sustainability is not peripheral to our business strategy; it is the fundamental bedrock upon which we build enduring value. Every decision we make is designed to navigate risks, build resilient systems and weave Environmental, Social and Governance (ESG) principles into our operations.

Our strategy is structured around three interconnected pillars. First, 'Growth that Gives Back', ensures that our expansion uplifts communities and safeguards vital resources for future generations. Second, through 'Innovation with Purpose', we integrate ESG considerations into every product and process, transforming responsible practices into a distinct competitive advantage. Finally, 'Safer Systems, Smaller Footprint' underscores our commitment to decarbonisation, robust risk mitigation and upholding the highest standards of safety.

Engineering a Greener Tomorrow

A significant achievement this year was the validation of our near-term emissions reduction targets by the Science Based Targets initiative (SBTi). Our pledge to achieve an absolute reduction of 54.6% in Scope 1, 2 and 3 Greenhouse Gas (GHG) emissions by FY 2033, benchmarked against an FY 2020 baseline, aligns our decarbonisation trajectory with the 1.5°C goal of the Paris Agreement. This stands as a testament to our determination to lead in industrial sustainability.

Our roadmap to achieving carbon neutrality by 2045 is clear and eminently actionable. We are expanding our renewable energy portfolio, with a target to source 80% of our electricity from renewable sources by 2030. Initiatives, such as the replacement of conventional fuel-fired furnaces with highly efficient electric induction systems, alongside the optimisation of energy consumption through smart technologies, are already yielding significant reductions in our environmental footprint. Beyond just emissions, our holistic approach is exemplified by our commitment to becoming water positive by 2030 and achieving zero waste to landfill.

Fostering a Culture of Care and Inclusivity

We strive to create a workplace that is safe, inclusive and empowering for every individual. This past year, we amplified our focus on employee well-being and continuous skill development, harnessing platforms like our DOJO Centre and our innovative AI & ML Lab. Our goal is to nurture a truly diverse workforce where every voice is heard and every contribution is valued. As a testament to this commitment, we

achieved 100% training coverage on crucial topics like Human Rights and Prevention of Sexual Harassment (POSH), solidifying our fundamental culture of respect and dignity.

Moreover, our responsibility extends far beyond the confines of our factory gates, reaching into the very communities we proudly call home. Through focused CSR initiatives encompassing village development, education, health services and empowering women, we have impacted over 3,00,000 lives till date. In every endeavour, we strive to create an ecosystem of shared growth and prosperity.

A Future Forged in Partnership

As we look to the future, we remain confident in our chosen direction, yet humbly acknowledge the inherent complexities and challenges that lie ahead. The journey towards a truly sustainable future is not one we can traverse in isolation; it demands collaboration, shared vision and an unwavering commitment from all our valued stakeholders.

I extend my deepest gratitude to our dedicated employees for their passion and dedication, to our esteemed customers for their continued trust, to our investors for their confidence, to our suppliers and partners for their collaboration and to the communities and government bodies for their constant support. Together, in this collective endeavour, we will continue to forge a future that is not only technologically advanced and economically prosperous but also equitable, inclusive and sustainable for generations to come.

B. N. Kalyani

Chairman and Managing Director

Leadership message

Vice Chairman and Joint Managing Director's Message

“By investing in the professional and personal growth of our people, we are building a resilient and motivated workforce, which is the most critical component of our long-term growth and sustainability.”



Dear Stakeholders,

Sustainability is a discourse that keeps on gaining traction as the globe continues its journey of growth and prosperity. At Bharat Forge, our commitment to sustainability is enduring and evolving. Our fifth Sustainability Report is a reflection of the journey we have undertaken and the impact we aim to create. This year's theme, quite aptly, revolves around how we are 'driven by responsibility and powered by innovation'. Building on the responsibility we have towards Nature and the society, we are striving to provide the community with creative and lasting solutions. This report embodies our commitment to shaping a cleaner, more resilient future that balances growth with environmental responsibility.

While our strategic vision sets our direction, the true measure of our progress lies in our ability to create tangible, lasting value for those who are intrinsically linked to our journey—our stakeholders. Our work is guided by the understanding that a truly sustainable enterprise is one that thrives as an integral part of a larger, interconnected ecosystem.

Our Investors- Driving Value with Vision and Integrity

For our investors, sustainable value is synonymous with long-term, risk-adjusted returns. We believe this is achieved through a robust governance framework that promotes transparency, integrity and accountability. Our Board's ESG Committee provides dedicated oversight, ensuring that sustainability considerations are embedded in strategic decision-

making. Our comprehensive risk management framework enables us to proactively identify and mitigate challenges, from cybersecurity threats to climate-related risks. By adhering to global reporting standards like GRI and SASB and by maintaining a culture of ethical conduct backed by strong policies on anti-corruption and whistleblowing, we safeguard the company's reputation and build a foundation of trust that is essential for enduring financial performance.



By encouraging our suppliers to adopt renewable energy and improve their own ESG performance, we are collectively strengthening the entire value chain against future risks and opportunities.

Our Customers and Partners- Empowering Progress Together

In a world increasingly conscious of environmental impact, our customers seek partners who can meaningfully support their sustainability ambitions. At Bharat Forge, we create enduring value for them by innovating with purpose, engineering lighter components and more efficient systems that reduce our customers' environmental footprint.

Our dual-shore supply model provides technological advantage and enhances supply chain resilience. We are proactively engaging with our customers on ESG aspects and moving towards calculating the Product Carbon Footprint (PCF) for our key products, encouraging a partnership built on transparency and shared decarbonisation objectives.

This collaborative spirit extends to our supply chain. We recognise that our responsibility does not end at our factory gates. Through our Supplier Code of Conduct and structured sustainability assessments, we are working to build a supply chain that is efficient, ethical and environmentally conscious. By encouraging our suppliers

to adopt renewable energy and improve their own ESG performance, we are collectively strengthening the entire value chain against future risks and opportunities.

Our People- Our Engine of Innovation

A sustainable future for our employees begins with a workplace that is safe, inclusive and designed to empower every individual to reach their full potential. We move beyond compliance to create a culture of well-being and continuous development. This is evident in our hands-on training centres like DOJO, which build practical skills for operational excellence and in our investments in future-focused capabilities at the AI and ML Lab. We are enhancing workplace safety through the integration of AI-powered systems and strengthening our culture of respect through comprehensive training on Human Rights and our POSH policy.

By investing in the professional and personal growth of our people, we are building a resilient and motivated workforce, which is the most critical component of our long-term growth and sustainability.

Our Communities- Partnering for Progress Beyond Business

Our relationship with the communities around us is integral to our social license to operate and grow. Our CSR strategy is focused on enabling long-term impact rather than one-time support. Through structured needs assessment and direct engagement, we focus on creating self-sustaining ecosystems. Our initiatives in water harvesting, rural infrastructure and skill development are aimed at building local capacity and enhancing quality of life. By equipping Industrial Training Institutes (ITIs) with advanced technology and providing youth with relevant skills, we are contributing to a future-ready workforce and fostering inclusive growth that benefits the broader region.

Our sustainability journey is a continuous process of learning, adapting and improving. It is an enterprise-wide commitment, driven by our leadership and championed by our employees. We believe that by focusing on the long-term well-being of our stakeholders, we are not only fulfilling our responsibilities as a corporate citizen but are also building a more resilient and competitive Bharat Forge.

Sincerely,

Amit Kalyani

Vice-Chairman and Joint Managing Director / Chairman - ESG Committee

Bharat Forge,

stands at the confluence of engineering prowess and ethical conviction, where every innovation embodies both precision and purpose. Each of our innovation carries within it a comparable degree of novelty and impact. We regard engineering as much about values as it is about precision. Guided by care and responsibility, we strive to ensure that our decisions and solutions create a lasting positive impact.

Responsibility, for us, is not just an act of compliance but a conscious way of being. It serves as the bedrock of everything we do. It breathes through the water we conserve, the energy we renew and the lives we touch. Our sustainability efforts are inseparable from our business.

What keeps us moving forward is our belief in the power of innovation. Whether its lighter materials, smarter systems or digital tools that improve efficiency, we are in constant pursuit of improvement.

As we chart the road ahead, innovation remains our compass, driving change towards a more balanced, inclusive and greener world.



About the Report

Reporting with Integrity, Shaping with Innovation

This is Bharat Forge’s fifth annual Sustainability Report, reflecting our continued commitment to transparency and accountability in disclosing our ESG performance. The report presents the progress against our sustainability roadmap and provides stakeholders with a clear view of how ESG is integrated into our business strategy.

Reporting Approach and Framework

Our report is with reference to GRI Universal Standards 2021 and reflects our material issues and ESG strategy. The disclosures also map our progress against the UN Sustainable Development Goals (UN SDGs). The report is prepared in line with regulatory expectations and showcases key areas including board oversight, stakeholder engagement, climate risk mitigation and community development.

Scope and Reporting Period

The report covers Bharat Forge’s operations across India, including its headquarters, plants, R&D centres and offices, for the period April 1, 2024 to March 31, 2025. It excludes any entities beyond this operational boundary and aligns with the scope of the company’s Annual Report.

Assurance and Accuracy

Selected GRI indicators in this report have undergone independent limited assurance by DQS India Private Limited (DQS) as per the “ISAE 3000 assurance standard”. Any restatements of prior-year data are clearly marked with justifications, particularly in the environmental section. The Board and Management affirm the integrity and balanced presentation of this report.

Forward-looking and Feedback Statement

The report includes forward-looking statements based on current insights and historical performance, subject to uncertainties and regulatory changes. We welcome feedback and suggestions to improve future disclosures. Please write to us at Arularasu.K@kalyani.in.

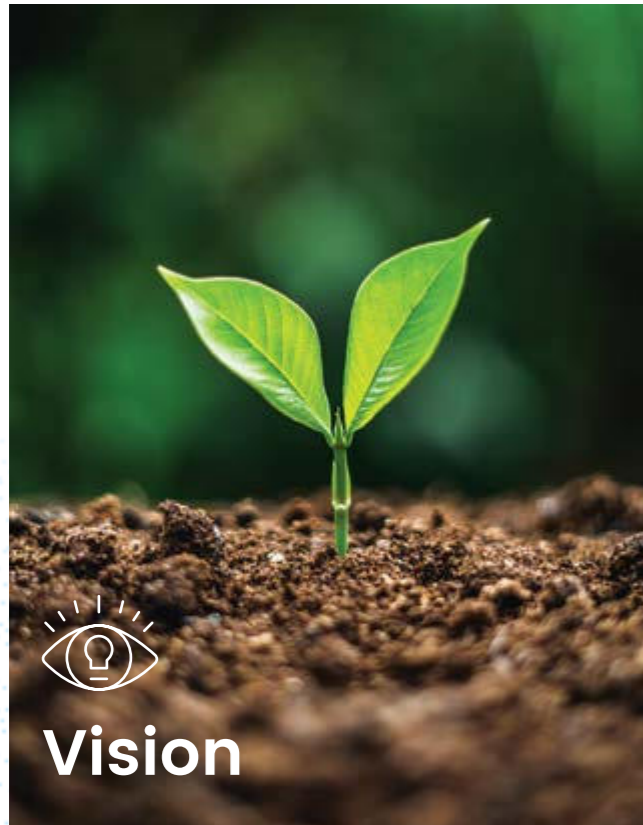
Stakeholder impacted

-  Employees
-  Investors
-  Customers
-  Business Partners
-  Government and Regulatory Bodies
-  Communities



Corporate Philosophy

Shaping the Future with Responsibility and Innovation



Vision

BFL believes nothing is impossible and challenge the long-standing conventions and keep defying the set limitations. Famous for world-class products for the Automobile Sector making us one of the best automotive forging companies in India.



Mission

To achieve sustainable growth by continuously enhancing its processes, developing cutting-edge products and nurturing a skilled workforce



Values

Spirit of innovation is at the core of organisation's DNA and plays a paramount role in delivering value to our customers through an extensive focus on technology and value addition.



Core Objectives

To be committed to listening and responding to the needs of our customers, associates and business partners and honouring their individual value

To be committed to an entrepreneurial spirit that fuels the growth of our companies and increases shareholder value

About Us

Shaping What Moves the World

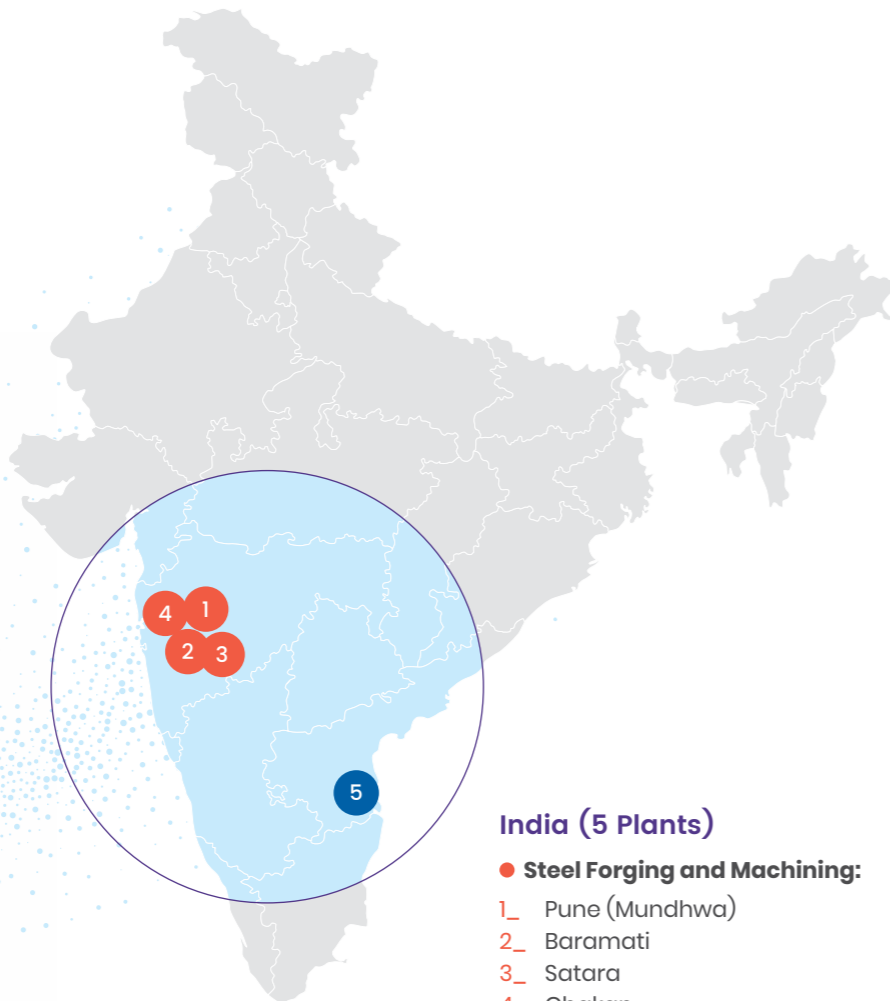
Bharat Forge Limited (BFL), part of the \$3 billion Kalyani Group, is a global leader in metal forming with a strong reputation for engineering excellence and advanced manufacturing.

Established in 1961 and head quartered in Pune, India, we are one of the world's largest forging company operating from a single location. We deliver high-performance, safety-critical components to a wide range of industrial sectors.

With a presence in over 50 countries and a robust dual-shore supply model, we support OEMs and Tier-1 suppliers across the globe with technologically advanced, reliable and scalable solutions.

Global Manufacturing Footprint

Our extensive and vertically integrated manufacturing network spans three continents



India (5 Plants)

● Steel Forging and Machining:

- 1_ Pune (Mundhwa)
- 2_ Baramati
- 3_ Satara
- 4_ Chakan

● Aluminium Castings:

- 5_ Nellore

Map not to scale.
For illustrative purposes only

Sectoral Expertise

BFL supports a diverse range of industries, with tailored solutions across its manufacturing ecosystem.



Unique Strengths



Integrated Manufacturing

End-to-end capabilities from material science to final assembly, ensuring control over quality, cost and delivery timelines.



Dual-Shore Supply Model

Strategically located plants in India enable BFL to serve global customers with flexibility and resilience.



Technology-Driven Innovation

Emphasis on R&D, automation and digital manufacturing (Industry 4.0, IoT integration).



Sustainability Commitment

On track for carbon neutrality by 2045, with goals for 80% renewable energy use by 2030, water positivity and zero-harm safety standards.

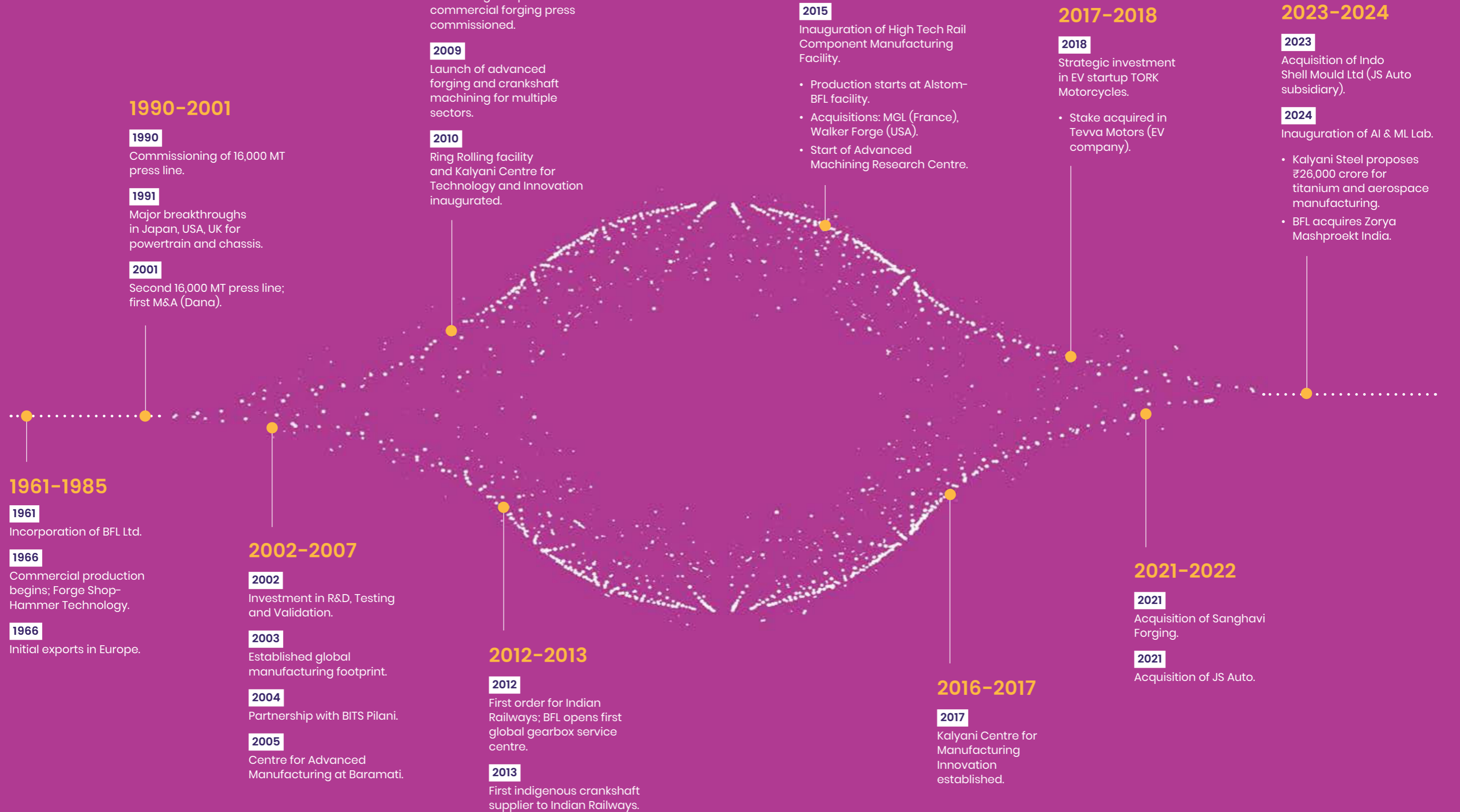


Strategic Collaborations

Strong ecosystem partnerships in defence, aerospace and EV systems through joint ventures and group synergies.

Our Journey

The Road We Forged





2.51%

Female representation, an increase from **2.03%**



99.18%

Waste generated was recycled



Rs.245 million

CSR Expenditure



0.44

LTIFR (Lost Time Injury Frequency Rate)



54.55%

Independent Directors



100%

Wastewater recycled



21.92

Average training hours per employee



3,03,739

Lives impacted through CSR initiatives



37.16%

Renewable energy consumed of the total electricity consumed



259

Scope 1 and 2 emissions (Thousand tons of Co2e)



Snapshot



1,07,191

GHG emission avoided Through RE usage (tonnes of Co2e)



41%

Water recycled



77.35%

Supplier assessments completed



36,545

Students benefited through CSR initiatives



3.81 KL/MT

Specific water consumption

Awards and Accolades

Responsibility Rewarded, Innovation Celebrated



Ashok Leyland has conferred the prestigious ESG Champions Gold Award 2024 upon Bharat Forge.

Certifications



ISO 9001:2015



IATF 16949:2016



AS 9100 Rev D



NABL: ISO/IEC 17025:2017



ISO 27001:2013



ISO 14001:2015



ISO 45001:2018



ISO 50001:2018

**API-20B &
API-Q1**

**Lloyd's
Register**

Nadcap

**Pressure
Equipment Safety
Regulation 2016**

**Pressure
Equipment
Directive 2014**



For the second consecutive year, **Bharat Forge** has been recognised as one of the **FT Asia-Pacific Climate Leaders 2024** by Financial Times and Statista.



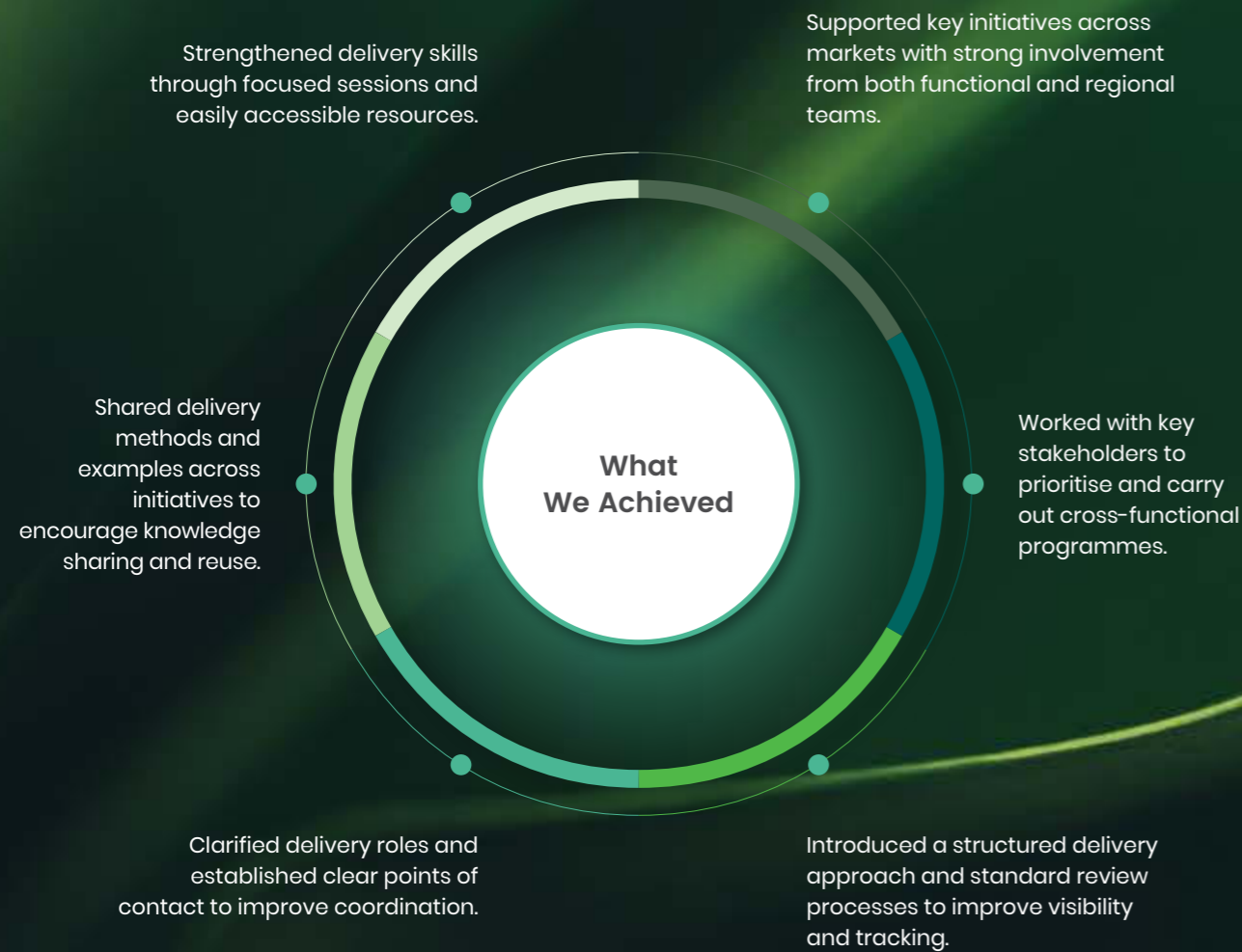
Bharat Forge has been awarded the title of 'Organisation with Sustainable Practices' at the Pune Leadership Awards 2024.

For information on our certifications, please visit:
<https://www.bharatforge.com/company/about-us#certifications>

Operational Excellence

Operational Brilliance, Responsibly Engineered

Delivery efforts over the past year have aligned closely with both functional and regional needs. By simplifying core processes and introducing a foundational delivery model, teams have been able to work with greater clarity, improved coordination and more consistent execution across the organisation.



Priorities for the Year Ahead

The aim for the year ahead is to strengthen delivery discipline and ensure consistent, high-quality work across all areas. The following focus areas will guide this effort:

1

Strengthen Consistency

- Apply the delivery framework across all teams.
- Clarify responsibilities and expectations for delivery roles and routines.
- Standardise project tracking and improve visibility across workstreams.

2

Focus on Outcomes

- Work more closely with functional and regional leads to ensure priorities are addressing real business needs.
- Keep efforts focused on practical outcomes and make delivery methods simpler wherever possible.

3

Improve Engagement and Experience

- Create clear channels for feedback and two-way engagement with stakeholders.
- Build communities of practice that support learning, shared problem-solving and accountability.

4

Expand Support and Tools

- Increase the use of existing delivery resources, including playbooks and templates.
- Provide direct support, coaching and skill-building to help teams apply consistent delivery practices.

Product Stewardship

Shaping Safer, Smarter Solutions with Responsibility

Our product stewardship approach integrates sustainability considerations across the entire product lifecycle, design, manufacturing, use, end-of-life and disposal. The focus remains on limiting environmental impact and maintaining safety through the use of sustainable design methods, energy-efficient production processes and materials that allow for end-of-life recyclability.

Lightweight aluminium components developed for automotive applications contribute to reduced fuel consumption and improved material recovery. Forged steel components used in power equipment are designed to extend operational life and help reduce emissions over time. These practices are supported by formal quality assurance processes, mechanisms for incorporating customer input and responsible sourcing of raw materials to support safe, long-lasting and environmentally responsible manufacturing.



Stakeholder Engagement

Shaping Meaningful Partnerships through Responsible Innovation

Recognising the importance of stakeholder perspectives in shaping resilient and responsible business practices, we have established a structured engagement process to connect with those who influence or are impacted by our operations.

Through consistent, multi-level interactions, we gain valuable insights into emerging concerns and opportunities, allowing us to tailor solutions that generate lasting value for both our stakeholders and the business.

Stakeholder Engagement Process

Stakeholder Engagement Process



We believe that sustained dialogue and collaboration with our stakeholders are essential to drive meaningful, long-term impact. We have established a formal grievance redressal mechanism that is accessible to all stakeholder groups.

This mechanism plays a critical role in fostering trust, addressing concerns in a timely and structured manner and ensuring that all voices whether from employees, communities, partners, or suppliers are heard and respected. It enables us to identify emerging issues, resolve conflicts constructively and continuously strengthen our social performance.

For more details on our grievance redressal process, please visit: <https://www.bharatforge.com/sustainability/social/#top>

Stakeholder Group



Stakeholder	Why They Are Important to Us	Material Issues Relevant to Them	How We Communicate With Them	Frequency
Employees 	Key to operational excellence and innovation contribute directly to business success	Employee well-being, career development, workplace safety, company performance	Conferences, workshops, newsletters, surveys, internal media, one-on-one interactions, CSR	Weekly, Quarterly, Annually, Monthly
Investors 	Provide capital and influence perception of company value and long-term viability	ESG performance, financial results, responsible investing	Annual reports, press releases, ESG calls, investor presentations, company website	Annually, Quarterly, Periodically
Customers 	Drive revenue and brand reputation; their preferences shape our offerings	Product quality, innovation, sustainability of operations	Personal visits, plant visits, media, digital channels, social media, support programmes, conferences, events	Weekly, Quarterly, Annually, Monthly
Suppliers and Service providers 	Essential for maintaining supply chain reliability, efficiency and sustainability	Ethical sourcing, timely delivery, compliance with quality and sustainability norms	Email communication, vendor meetings, policies, official letters, sustainability assessments	Periodically, Annually
Business Partners 	Help scale business operations and expand into new markets	Strategic growth, innovation, regulatory compliance	Strategic meetings, business reviews, partnership forums and collaborative planning sessions	Periodically
Government and Regulatory Bodies 	Set the policy landscape and regulatory framework impacting our operations	Regulatory compliance, environmental performance, public policy alignment	Official communication, audits/inspections, compliance reports	Monthly, Annually
Communities 	Communities play a vital role in shaping our social impact and remain central to our responsible growth and CSR efforts.	Community development, employment, health and education, environmental protection	Field visits, need assessments, focus group discussions, CSR programmes and partnerships	As needed (based on CSR programmes)

Material Assessment

Defining What Matters Most to Drive Responsible Innovation

GRI 3-1,2,3

We believe that a well-informed sustainability strategy starts with a clear understanding of what truly matters to our business, our stakeholders and the wider world. Our materiality assessment serves as a critical tool to identify, prioritise and act on the most significant environmental, social and governance (ESG) issues that influence our long-term performance and value creation.

It guides our disclosures and shapes strategic decision-making across operations, supply chains and stakeholder engagement. To ensure our approach is globally relevant and aligned with best practices, we conducted the assessment in accordance with leading sustainability frameworks, including the EU's Corporate Sustainability Reporting Directive (CSRD), the GRI Standards 202 and the Sustainability Accounting Standards Board (SASB) guidelines.

Evolving Our Materiality Lens

We undertook a comprehensive materiality assessment last year to identify and prioritise ESG issues that are most relevant to our business and stakeholders. This exercise marked a step forward from our previous assessment, reflecting our evolving business context, stakeholder expectations and global sustainability reporting developments.

We adopted the concept of double materiality, aligning with emerging global standards and best practices. This approach considers both the financial implications of ESG factors on the company (financial materiality) and the company's impact on the environment and society (impact materiality), offering a more holistic lens for identifying and managing long-term risks and opportunities. It ensures that sustainability and business strategy are deeply interconnected and mutually reinforcing.

Impact materiality

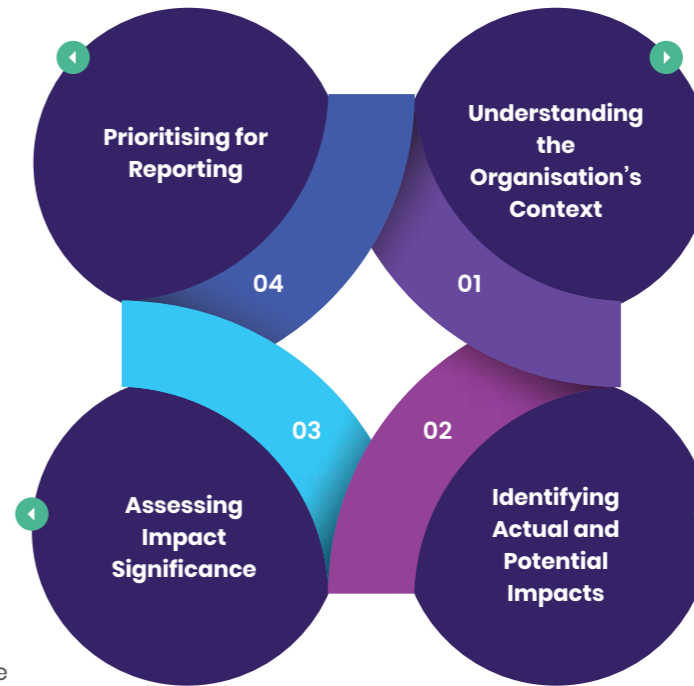
Examines how our operations and business practices influence people and the planet, including aspects such as climate impact, water usage, resource efficiency, emissions, labour practices and community well-being.

Financial materiality

Focuses on how ESG risks and opportunities such as climate change, regulatory shifts and resource scarcity affect our financial performance and business resilience.

Steps in the Materiality Assessment Process

Ranked the most significant ESG issues for disclosure, ensuring alignment with stakeholder expectations and Bharat Forge's sustainability goals.



Conducted a high-level review of Bharat Forge's operations and stakeholder landscape through surveys and consultations with internal and external stakeholders.

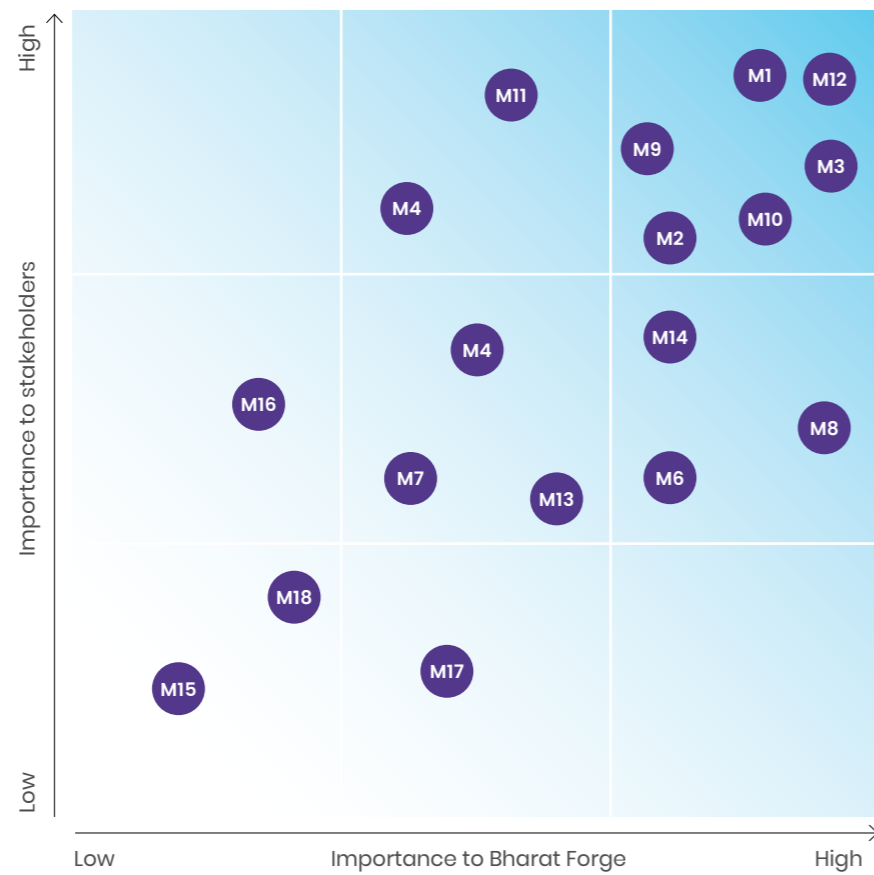
Evaluated and prioritised impacts using both quantitative and qualitative methods, considering relevance across sectors and stakeholder feedback.

Mapped potential impacts on the economy, environment and people, including human rights considerations, by analysing business operations and relationships.



Materiality Matrix

- M1** Sustained performance and quality
- M2** Health, safety and environment
- M3** Climate change
- M4** Intellectual property
- M5** Innovation
- M6** IT, data centre and farsight disaster recovery
- M7** Human capital development
- M8** Maintenance
- M9** Data protection
- M10** Brand risk/reputation
- M11** Customer satisfaction
- M12** Disaster recovery
- M13** Supply chain management
- M14** Corporate governance and business ethics
- M15** Local communities
- M16** Diversity, inclusion and equity
- M17** Biodiversity
- M18** Public policy advocacy



To ensure the materiality matrix is accessible and actionable for a diverse range of stakeholders, we have undertaken a moderation process to refine the results of the materiality assessment. This involves thoughtfully grouping similar or overlapping ESG topics under broader, consolidated themes. By doing so, we are able to present a more focused and streamlined set of material issues that better reflect stakeholder priorities and business relevance.

This approach not only enhances clarity but also enables the organisation to direct resources

and attention toward the most critical ESG areas. High-priority topics, those identified as highly significant by both stakeholders and the business, will directly influence updates to our ESG roadmap and strategic planning process. The table below outlines how specific material issues have been merged to arrive at a balanced, comprehensive view of what matters most. We conduct materiality assessment once in 3 years. Last assessment was conducted in the year FY23-24 and the revised ESG Road map was published in FY24-25 based on its outcome.

Topic	Clubbed Topics	Materiality Topics
M1	Sustained performance and quality	Economic performance
M2	Health, safety and environment	Health and Safety Waste Management Effluents and Water Management
M3	Climate change	Climate Change Emissions and Air Quality Clean Technology
M4	Intellectual property	Intellectual Property Rights
M5	Innovation	Technological Innovation
M6	It, data centre and farsight disaster recovery	Disaster Recovery and Product Stewardship
M7	Human capital development	Human Rights and Labour Management Talent Attraction and Retention Human Capital Development
M8	Maintenance	Energy Management
M9	Data protection	Data Protection
M10	Brand risk/reputation	Risk Management Marketing and Communications Local Communities
M11	Customer satisfaction	Customer Relationship Management
M12	Disaster recovery	Asset Management
M13	Supply chain management	Supply Chain Management Sustainable raw materials
M14	Corporate governance and business ethics	Corporate Governance Business Ethics Compliance
M15	Local communities	Local communities
M16	Diversity, inclusion and equity	Diversity, inclusion and equity
M17	Land degradation and biodiversity	Biodiversity
M18	Public policy advocacy	Public policy advocacy

Sustainability Strategy

Engineering Impact, Sustaining Tomorrow

As we scale new heights in global reach and technological advancement, we remain deeply committed to creating value that extends beyond business. For us, true progress means aligning economic performance with environmental stewardship and meaningful social impact, ensuring that every step forward leaves the world better than we found it.

Our choices today influence a wide spectrum of stakeholders; from the communities it operates to the industries it supplies. This perspective drives a deeper, long-term approach to managing risks, creating resilient systems and embedding sustainability into the heart of our strategic thinking.

From Ambition to Action

In developing our sustainability roadmap, we have built upon foundational values and key learnings from past initiatives. We have internalised sustainability across functions, making it a shared responsibility.

Strategic Pillars

At the centre of our sustainability framework are three strategic pillars, each focused on unlocking value while minimising harm.



Growth that Gives Back

BFL pursues business expansion that uplifts local communities and safeguards natural resources, ensuring every step forward is sustainable and inclusive.



Innovation with Purpose

From cleaner components to smarter processes, BFL integrates ESG thinking into everything it creates, making sustainability a competitive edge.



Safer Systems, Smaller Footprint

BFL is scaling its efforts to cut emissions, reduce risk and achieve high safety standards, building operations that are both secure and sustainable.

Sustainability Roadmap



Environment

Improving resource efficiency

80%

of electrical energy to be renewable by 2030

60%

reduction in energy intensity by 2030

50%

secondary raw material usage by 2030

40%

reduction in Water intensity by 2030

60%

recycled water use by 2030

Water positive
by 2030

Reducing emissions and waste

54.6%

lesser Scope 1 and 2 emissions by 2033

54.6%

lesser Scope 3 emissions by 2033

50%

waste intensity reduction by 2030

Zero waste
to landfill by 2030

Carbon neutral
by 2045



Social

SDG Impacted



Growing human capital

48 hours/year
employee training hours by 2030

75%
reduction in lost time incidence frequency rate by 2030

8%
women in managerial and leadership roles by 2030

Engaging business partners

Sustainability Index **>75%**
by all critical suppliers by 2030

50%
RE use by top suppliers by 2030

PCF
for mainstream products by 2030

Active engagement
with customers on ESG aspects by 2030

Giving back to communities

Plant **1 million**
trees by 2030

100
green villages by 2030

Contribute
to education and skill development



Governance

Good Governance

100%
compliance through robust compliance system

Effective **Data privacy**
management

Compliance to ethics

100%
employee training on business ethics policy

Ensure compliance
to human rights requirements

Climate Risk Assessment

Driving Climate Resilience through Innovation

GRI 201-2

A comprehensive Climate Risk Assessment (CRA) was conducted across all Bharat Forge Limited (BFL) sites, including Mundhwa, Baramati, Satara, Chakan and Nellore in the reporting year. The objective was to identify, evaluate and manage the potential impacts of climate change on operations, assets and financial performance. CRA enables businesses to mitigate financial losses, safeguard their reputation and build long-term resilience in a changing climate. Both physical and transitional risks were assessed in the reporting year (Fy24-25).



Physical Risk Assessment

Our analysis focuses on evaluating potential physical risks posed by climate change to BFL's operational locations, using scenario analysis aligned with SSP1-2.6 and SSP5-8.5 pathways. The impacts are assessed for three timeframes—near-term (by 2030), mid-century (by 2050) and end-century (by 2100)—with reference to the baseline period of 1995–2014.

Scenario	Description
SSP1-2.6	Extremely stringent scenario where strict policy measures are taken to restrict global warming to a maximum of 1.8°C by 2100.
SSP5-8.5	Business-as-usual scenario where relaxed policy measures do not curb global warming, leading to a rise in temperature of almost 5°C by 2100.

BFL evaluated both acute and chronic risks that are likely to impact all our business locations as part of its physical risk assessment.

Hazards		Risk Indicators
Acute	Floods	<ul style="list-style-type: none"> Max 5-day precipitation Elevation Analysis (Topographic Position Index)
	Cyclones	<ul style="list-style-type: none"> Wind speed and Storm surge
	Heatwave	<ul style="list-style-type: none"> Maximum temperature and duration
	Wildfire	<ul style="list-style-type: none"> Wildfire potential
Chronic	Heat stress	<ul style="list-style-type: none"> Extreme heat days Wet bulb temperature Humidity levels
	Sea level rise	<ul style="list-style-type: none"> Rate of sea level rise
	Water stress	<ul style="list-style-type: none"> Inter-annual variability Per capita water in region Ground water table status

Following key takeaways are enlisted from results of physical risk assessment:

<h3>Flood</h3>	
<ul style="list-style-type: none"> Maximum 5-day precipitation is expected at Baramati Revisit existing drainage system of Baramati and Satara Entrance gate of Mundhwa, Baramati, Satara and Nellore are susceptible to flood Access roads of all sites are susceptible to moderate to high water inundation All sites are susceptible to high flash flood vulnerability 	
<h3>Cyclone</h3>	
<ul style="list-style-type: none"> Nellore site faces significant cyclonic risk Satara site is subjected to moderate cyclonic risk Remaining sites faces low cyclonic risks All sites are situated in low wildfire risks 	
<h3>Sea Level Rise</h3>	
<ul style="list-style-type: none"> Inland position of Nellore site from sea shore reduces sea level rise risk 	
<h3>Heat Stress</h3>	
<ul style="list-style-type: none"> Mundhwa & Chakan will experience highest number of days with temp >35 °C Possibility of increased heat stress at Nellore Furnace area is expected to be of higher productivity loss 	
<h3>Water Stress</h3>	
<ul style="list-style-type: none"> River basins of all sites are experiencing water stress Water stress is expected to increase at all sites Implement rain water harvesting at Chakan 	

Possible mitigation measures on identified takeaways have been enlisted for all the above physical risks. Feasibility study of enlisted mitigation measures and deployment is in progress at the respective BFL site.

Transitional risk assessment

A transition risk in climate risk assessment refers to the potential financial and operational risks that organisations may face as society transitions to a low carbon economy. Intense scrutiny from stakeholders on environmental responsibility can cause severe reputational damage, resulting in loss of customer trust and investor confidence. Transitional risks are grouped into four categories, that are policy and legal risk, market risk, technology risk and reputation risk.



Policy and Legal

Carbon Pricing Policies

Risks

- Additional investment required for emission-reduction initiatives
- Anticipated rise in carbon costs
- Pressure on profit margins due to CBAM

Opportunities

- Potential to earn and trade carbon credits
- Additional revenue through green steel products

Mandates on Renewable Energy

Risks

- High upfront cost of onsite solar installation
- Around 10% increase in IREC costs

Opportunities

- Renewable electricity is cheaper compared to non-renewable sources
- Ability to sell renewable energy credits

Energy Efficiency Standards

Risks

- Significant investment needed in energy-efficient technologies
- Risk of failing to capture the growing green products market

Opportunities

- IBH technology is 40% more energy-efficient than conventional furnaces
- Green products can command a premium price

Environment and Resource Management Regulations

Risks

- Investment required in scrap reduction and water-saving technologies

Opportunities

- Use of recycled products lowers emissions by 58% and costs by 40%
- Stronger revenue streams from clients committed to sustainable procurement



Market Risks

Energy Price Volatility

Risks

- Electricity costs expected to rise by at least 10% by 2030
- PNG prices projected to rise by around 60% by 2050
- Fuel price increases may accelerate the shift to EVs, reducing demand for forged components

Opportunities

—

Introduction of Green Raw Materials

Risks

- Around 40% rise in raw material costs linked to green steel procurement

Opportunities

- Ability to offset Scope 3 emissions through purchase of green credits
- Opportunity to market green products at a premium

Shifts in Consumer Preferences and Product Innovation

Risks

- Lower demand for forged components as EV adoption grows
- Higher capital costs for lightweight manufacturing technologies and staff training

Opportunities

—



Technology

Digitalisation and AI

Risks

- Capital outlay required for digitalisation and employee training
- High implementation costs of AI-based solutions

Opportunities

- Improved energy efficiency and reduced downtime
- Better ability to track and respond to market trends

Carbon Capture, Utilisation and Storage (CCUS)

Risks

- Higher capital expenditure and a 5–10% rise in operating costs

Opportunities

- Reduction in fuel use and the need to purchase offsets



Reputation

Environmental Damage and Pollution

Risks

- Risk of fines for non-compliance

Opportunities

- Opportunity to invest in carbon capture, water recycling and waste management solutions

Investor and Stakeholder Pressure

Risks

- Public protests linked to environmental impacts

Opportunities

- Faster adoption of sustainability measures can build investor trust and confidence

Economic Value Generated and Distributed

Creating Value with Purpose

GRI 201-1

We believe that financial discipline is the foundation of enduring value. By upholding transparency and making responsible decisions at every turn, we maintain a robust capital structure marked by low leverage and healthy cash flows. This approach not only strengthens our resilience but also ensures sustained value creation for all our stakeholders.

How We Allocate Capital



We invest purposefully in growth areas that align with our sustainability goals.



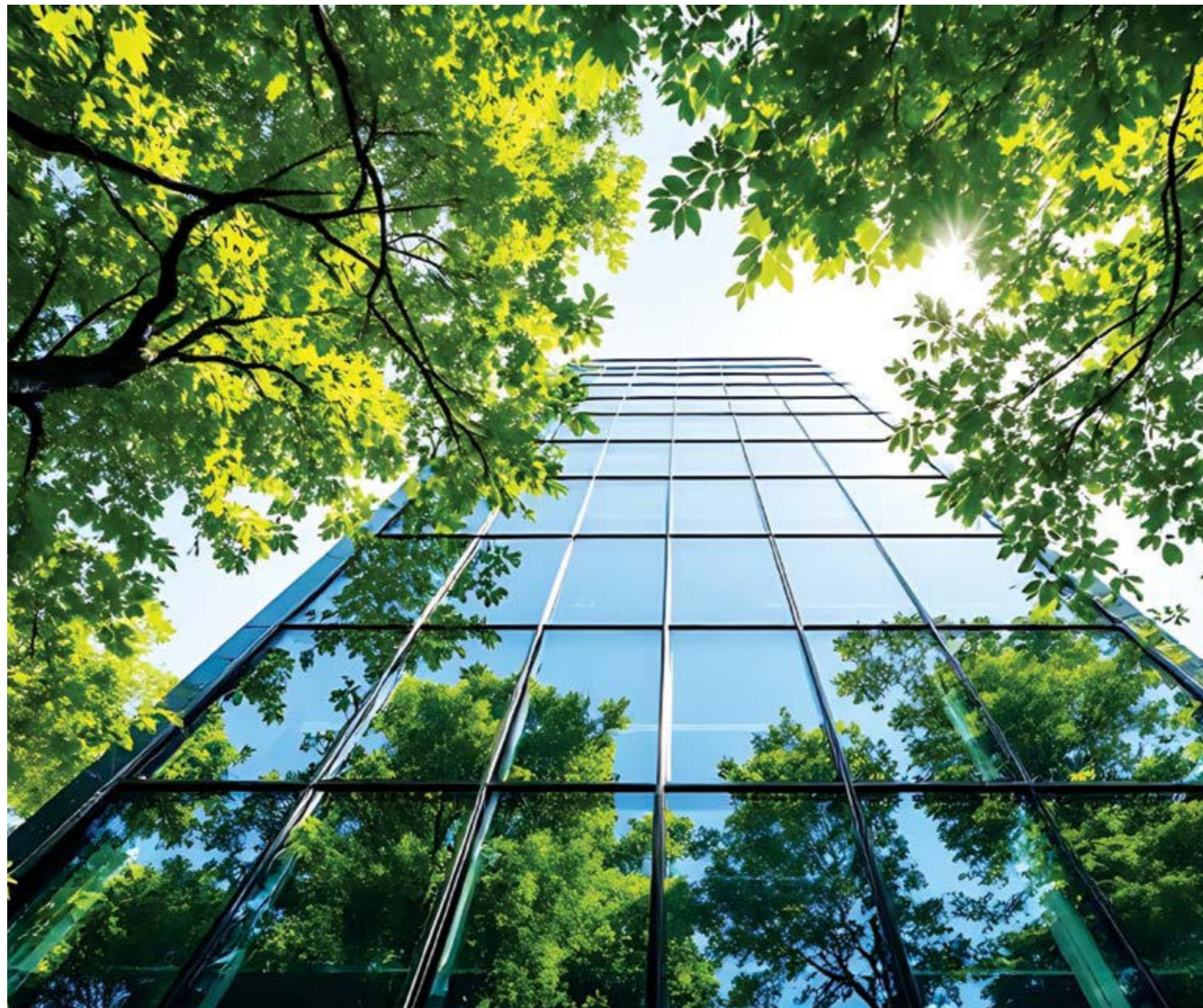
We manage costs and optimise working capital to maximise returns.



We leverage a reliable supplier network to strengthen operational stability.

Our Product Strategy

- A diverse portfolio enables us to meet evolving customer demands and enter adjacent markets with confidence.
- We assess resource efficiency to boost both performance and sustainability



Economic Value Generated (In ₹ million) FY 2025

88,437.30
Revenue from operations

1,588.53
Other income

90,025.83
Total income

Economic Value Distributed (In ₹ million) FY 2025

61,440.85
Operating costs

6,366.06
Employee benefits and wages

2,498.14
Payment to providers of capital

4,965.13
Payments to governments

244.78
Community investments

75,514.96
Total Distributed

Economic Value Retained (In ₹ million)

14,510.87
Economic value retained

Governance

Building Trust through Responsible Governance

We have always firmly believed that a sustainable organisation is built on a robust governance framework, providing a solid foundation that supports true progress. In today's evolving landscape, we rely on transparency, integrity and honesty to drive sustained value creation. While we continuously evolve our structure and policies to meet changing stakeholder expectations, we uphold accountability and ethics across all levels of our organisation.

For us, the trust we have garnered over the years serves as the true measure of our success and as we stride ahead, we will continue to adhere to the highest governance standards to remain a trusted name for all our stakeholders.



ESG Ratings

S&P Global Assessment Ratings



Improved from rating 18 (2021) to 41 (2022) and then 46 (2024).

Improvements driven by better disclosures on compliance, human rights, health and safety and updated risk management.

CDP (Carbon Disclosure Project) Assessment



Improved from F (2021) to B+ (2024).

Enhanced disclosures on energy monitoring, efficiency projects, carbon footprint mapping and Scope-3 emissions reporting.

Commitment to the [Science-Based Targets Initiative](#) supported climate strategy integration.

GRI-Based Sustainability Reporting



Sustained GRI reporting since FY 21.

Third-party assurance implemented from FY 22 onwards, contributing to rating improvement in [Sustainalytics](#) from 29 (FY 2021) to 20.2 (FY 2024).

Ecovadis Supplier Sustainability Rating



Focus on sustainable procurement, Supplier Code of Conduct and terms and conditions.

Rating improved from 37 (2021) to 56 (2024).

S&P Global

2021	2022	2023
18	41	46
2024		

46

MSCI

2021	2022	2023
CCC	CCC	B
2024		

B

ecovadis

2021	2022	2023
36	49	52
2024		

56

SUSTAINALYTICS

a Morningstar company

2021	2022	2023
29.4	23.5	21.7
2024		

20.2

CDP

DISCLOSURE INSIGHT ACTION

2021	2022	2023
F	B	B-
2024		

B

Leadership Accountability

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-17, 2-18)

At Bharat Forge Limited (BFL), we are deeply committed to forging a fair, responsible and sustainable business ecosystem that inspires trust among all our stakeholders. Our governance philosophy is firmly anchored in transparency, accountability and ethical conduct. With integrity at the core, our well-defined policies, principles and procedures safeguard business continuity while steering strategic direction, strengthening risk management and enhancing operational performance across every level of the organisation.

Key pillars of our governance framework include

- 01 Risk Management**
Proactive identification and mitigation of enterprise risks.
- 02 Ethical Business Practices**
Zero tolerance for bribery, corruption and unethical conduct.
- 03 Legal and Regulatory Compliance**
Adherence to applicable laws across jurisdictions.
- 04 Transparency and Disclosure**
Timely and accurate disclosure of material information.
- 05 Stakeholder Engagement**
Regular, structured communication with shareholders and other stakeholders.

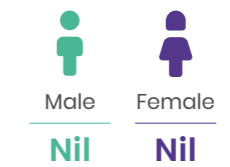
Board composition summary and key board committees

The Board of Directors plays a pivotal role in shaping the Company's growth trajectory, ensuring effective execution and safeguarding stakeholder interests. This diverse and experienced group of experts bring forth a wealth of industry knowledge and the acumen to navigate the ebbs and flows of the business environment.

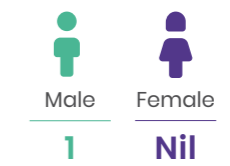
Their independent judgment, coupled with a strong commitment to honesty, ensures our legacy continues to unfold through excellence and sustained long-term value creation. The Board ensures transparency through regular interactions with senior management and business heads. Simultaneously, our nomination process promotes a balanced mix of skills, perspectives and experiences, all essential for resilient governance.

Highest governance body composition

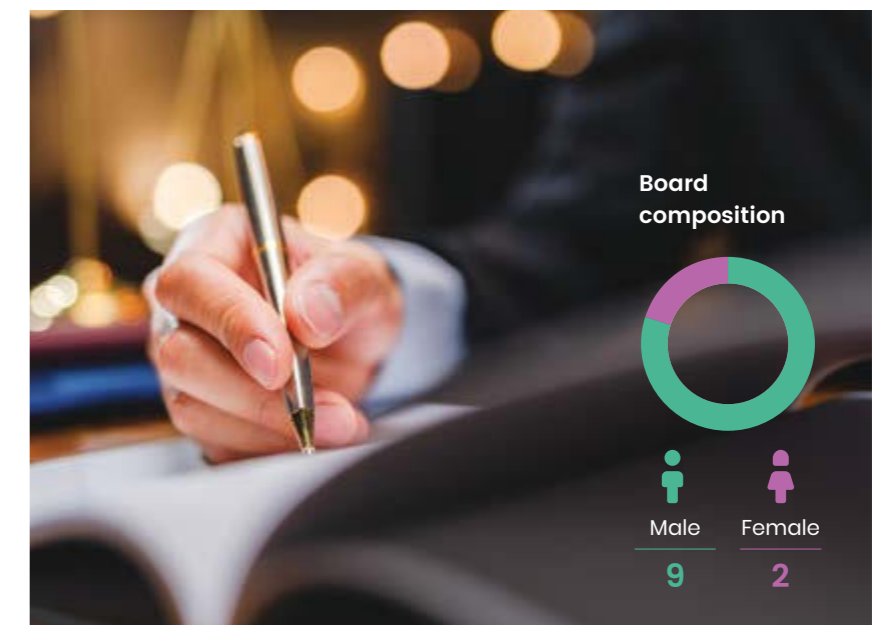
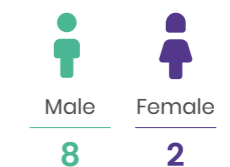
Age of highest governance body members (<30)



Age of highest governance body members (30-50)



Age of highest governance body members (>50)









Leadership and structure

Our well-defined structure allows us to maintain oversight, adhere to compliance and enhance value for all stakeholders.

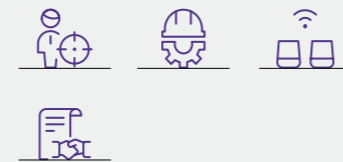
Skill matrix

 Strategic Planning	 Business Operations
 Technology	 Sales and Marketing
 Finance Acumen	 Governance and Risk Management

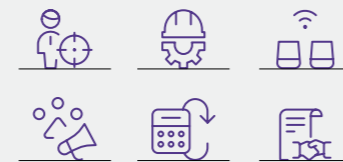
Board Committees

Audit Committee 	Corporate Social Responsibility Committee 
Risk Management Committee 	Nomination and Remuneration Committee 
Stakeholders Relationship Committee 	Environmental, Social and Governance Committee 

Mr. B.P. Kalyani
Executive Director



Mr. Dipak B. Mane
Independent Director



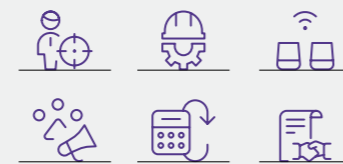
 

Mr. Ashish Bharat Ram
Non-Executive Non-Independent Director



Mr. Amit B. Kalyani
Vice-Chairman and Joint Managing Director



Mr. Ravi Kapoor
Independent Director



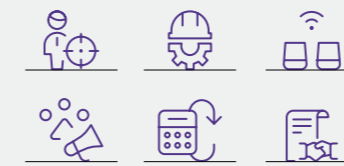
 

Mr. Anand S. Pathak
Independent Director



Mr. S.E. Tandale
Executive Director

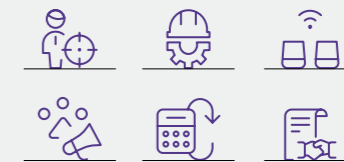


Ms. Rashmi Joshi
Independent Director



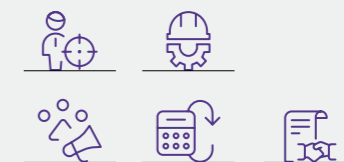
  

Mr. B. N. Kalyani
Chairman and Managing Director



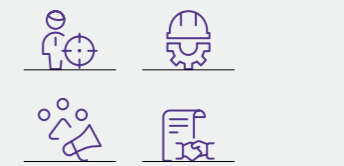
  

Mr. K. B. S. Anand
Independent Director



Ms. Sonia Singh
Independent Director



22.6 Years

Average tenure of executive director

2 Years

Average tenure of independent director

1.5 Years

Average tenure of non-independent director

Leadership and Oversight by the Board Chair

The Nomination and Remuneration Committee is entrusted with the crucial responsibility of establishing clear criteria for identifying, screening, recruiting and recommending candidates for both Board and senior management positions. Our aim is to ensure that the baton of leadership is passed to capable hands—individuals who not only meet our benchmark of excellence but are also prepared to drive the organisation to new heights of success.



Board Effectiveness and Engagement

(GRI- 2-9, 2-10, 2-11, 2-12, 2-14, 2-17, 2-18, 2-19, 2-20, 2-26)

The Board plays a pivotal role in shaping an organisation’s growth trajectory and here at Bharat Forge, we believe that our Board must operate keeping the best interests of both the organisation and the stakeholders always at the forefront. We strengthen Board effectiveness through training, performance evaluations and stakeholder engagement to address evolving business needs.

Familiarisation and Capacity Building of Directors

As part of our structured Familiarisation Programme, Directors receive periodic updates on the Company’s operations, market dynamics, regulatory changes and strategic priorities. These sessions are conducted through presentations by business and functional heads during Board and Strategy meetings, complemented with interactive discussions.

To ensure continuous learning, Directors are also given access to internal policies, research reports and relevant regulatory updates. In FY 25, three awareness sessions were conducted for the Board, covering critical topics such as insider trading regulations, ESG and sustainability priorities, the impact of the Carbon Border Adjustment Mechanism (CBAM) and recent amendments to SEBI regulations. These sessions recorded 100% participation, reflecting the Board’s eagerness to put their best foot forward in governing the organisation.

Structured Performance Evaluation Mechanism

We conduct an annual performance evaluation for the Board, its Committees and individual Directors, in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This comprehensive evaluation process incorporates feedback from all Directors.

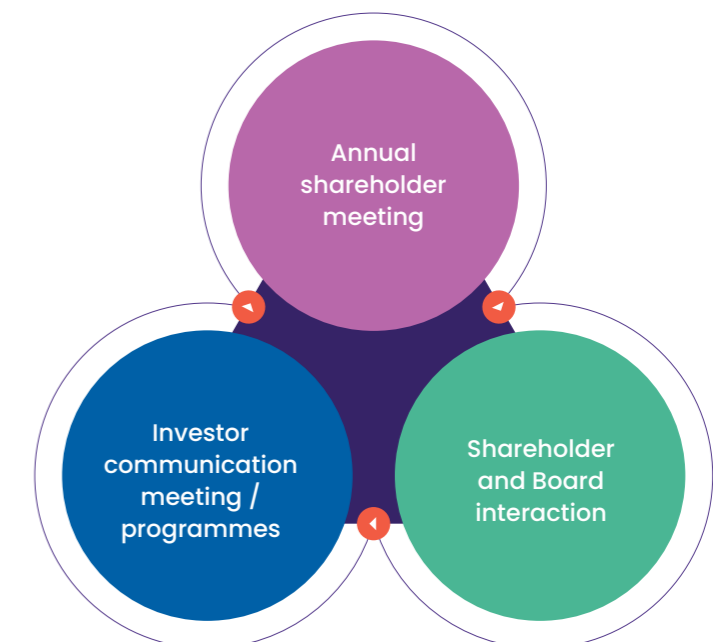
The Board’s effectiveness is assessed on composition, structural diversity, quality of deliberations, strategic guidance and oversight of key issues.

Similarly, committee evaluations are based on criteria, such as clarity of mandate, meeting effectiveness and alignment with their respective charters.

Our Independent Directors evaluate the performance of the Chairperson, Non-Independent Directors and the Board, using criteria aligned with SEBI’s Guidance Note on Board Evaluation. In addition, the Chairman holds one-on-one meetings with Independent Directors to gather insights on the effectiveness of Board and Committee processes.

Proactive Engagement with Shareholders

We value the perspectives of our shareholders, ensuring their insights are incorporated in our governance framework. We maintain a proactive, year-round shareholder engagement programme, regularly reviewing the feedback reports to ensure our business practices meet their expectations and maintain transparency and trust.



Risk management

(GRI 2-27)

Our risk management framework is designed to meticulously identify, assess and mitigate both current and emerging risks, thereby protecting our business and continually reinforcing our competitive edge.

Anchored in our formal Risk Management Policy, endorsed by the Board's Risk Management Committee, our risk framework is built on the following core elements:

Risk	Risk	Risk	Risk	Risk
Universe Analysis	Identification	Assessment	Response	Reporting
We continuously scan internal and external risks, including strategic, operational, financial, legal, technological, environmental and reputational domains, to define the full spectrum of potential risks and opportunities at the earliest stage.	Risks are systematically detected and categorised to understand their nature.	Identified risks are evaluated based on their likelihood and potential impact. Strategic risks that could disrupt operations, affect growth or cause compliance issues are prioritised and escalated for immediate attention.	Risk owners develop and implement mitigation strategies, including process controls, policy revisions, financial hedging and business continuity plans to reduce risk likelihood or impact efficiently.	The Risk Management Committee regularly reviews risk metrics and mitigation progress. Comprehensive reports are submitted to the Board for oversight and decision-making.

Collaborative Engagement

(GRI - 2-28)

We believe that proactive engagement with industry bodies and associations is essential to fostering long-term business sustainability. These platforms help us stay abreast of evolving regulatory landscapes, understand their implications and anticipate future trends. By participating in these forums, we contribute to meaningful industry dialogue, exchange best practices and strengthen our ability to drive responsible and inclusive growth. Through these collaborations, we aim to create shared value for our business, stakeholders and the broader ecosystem.

Confederation of Indian Industries	Federation of Indian Chambers of Commerce and Industry
Society of Indian Defence Manufacturers	Maharatta Chamber of Commerce Industry and Agriculture
Indo-German Chamber of Commerce	Bombay Chamber of Commerce and Industry
Swedish Chamber of Commerce in India	CII-FBN India Chapter Membership
Indo-American Chamber of Commerce	
Indo-French Chamber of Commerce in India	

Policy Review

Our risk management policy mandates continuous horizon scanning for emerging risks such as climate change, cybersecurity threats and supply chain disruptions, ensuring these are integrated into enterprise-wide preparedness and resilience plans.

Cybersecurity and Data Governance

(GRI 2-23, 2-26, 2-27)

In today's increasingly digital world, secure data management is critical to our operations. Guided by a comprehensive Cybersecurity and Information Security Governance Framework, we ensure that all aspects of our digital infrastructure align with industry best practices and stringent regulatory requirements. This commitment not only safeguards our intellectual assets but also protects our reputation. We continuously strive to maintain the highest standards of cybersecurity across the organisation.

Measures to Ensure Data Privacy and Business Continuity

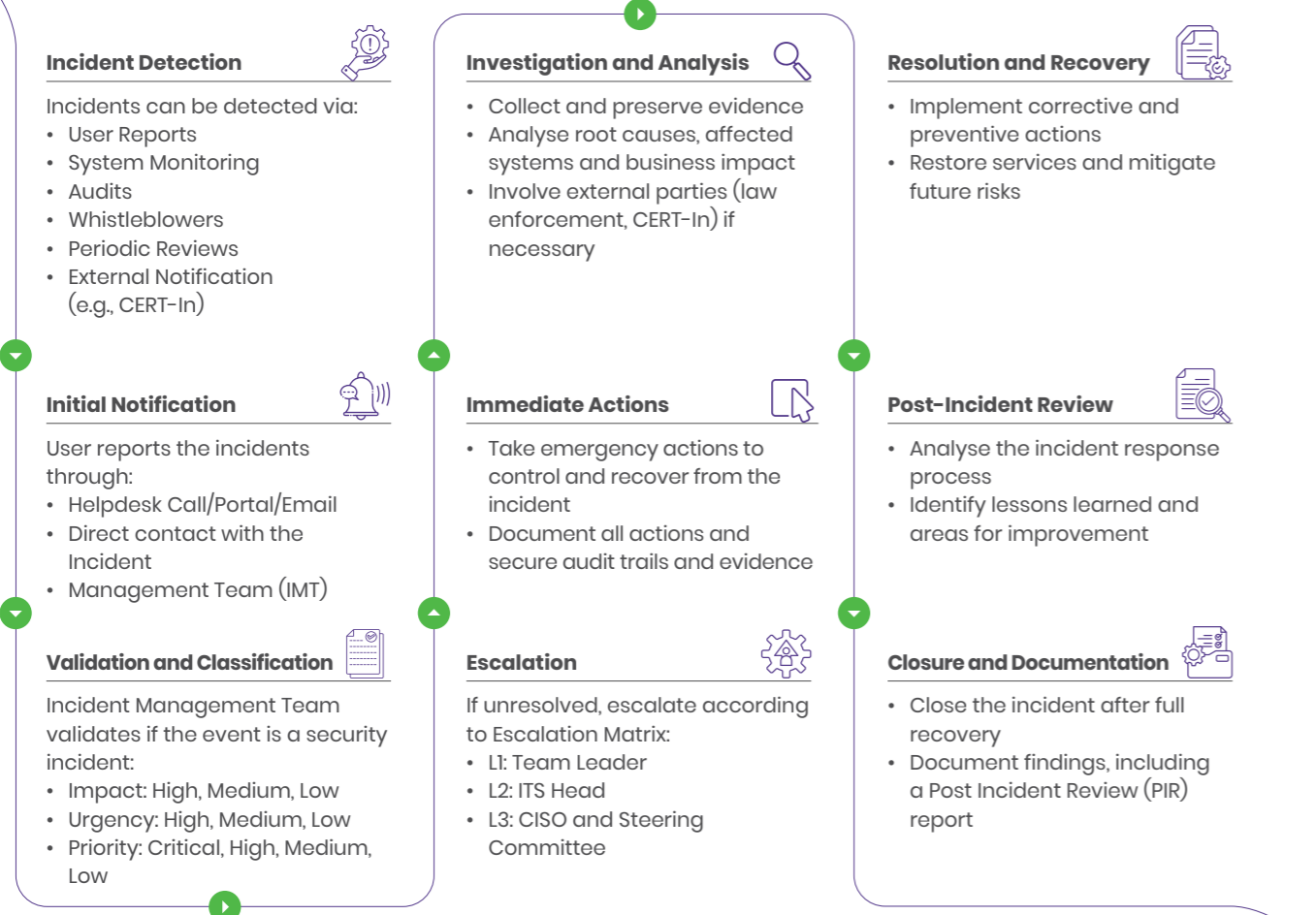
We follow the ISO/IEC 27001:2013 framework and hold certifications for IT services, Design and Defense departments. [The details of our approach to data privacy are outlined in our Privacy policy.]

To further strengthen our digital landscape, we have implemented a robust Information Security Policy that provides governance for secure and reliable information flow, both within and beyond the organisation's boundaries. Aligning with international best practices, our detailed procedures and guidelines are regularly updated to expertly address emerging risks.



Security Breach Response System

Our emergency response mechanism for cybersecurity threats ensures swift action in case of any breach or incident, minimising impact and restoring normal operations promptly.



Cyber Risk Oversight by the Board

The Board's Risk Management Committee oversees our cybersecurity strategy and provides clear direction to the management team. Our Chief Information Officer (CIO) is responsible for the implementation and operational execution of cybersecurity initiatives, ensuring alignment with our broader business objectives and risk management framework.

Cybersecurity Mitigation Strategy

Priority in Corporate Sustainability

We consider cybersecurity a core pillar of our corporate sustainability agenda and integrate it into all aspects of our business operations.

Adherence to International Standards

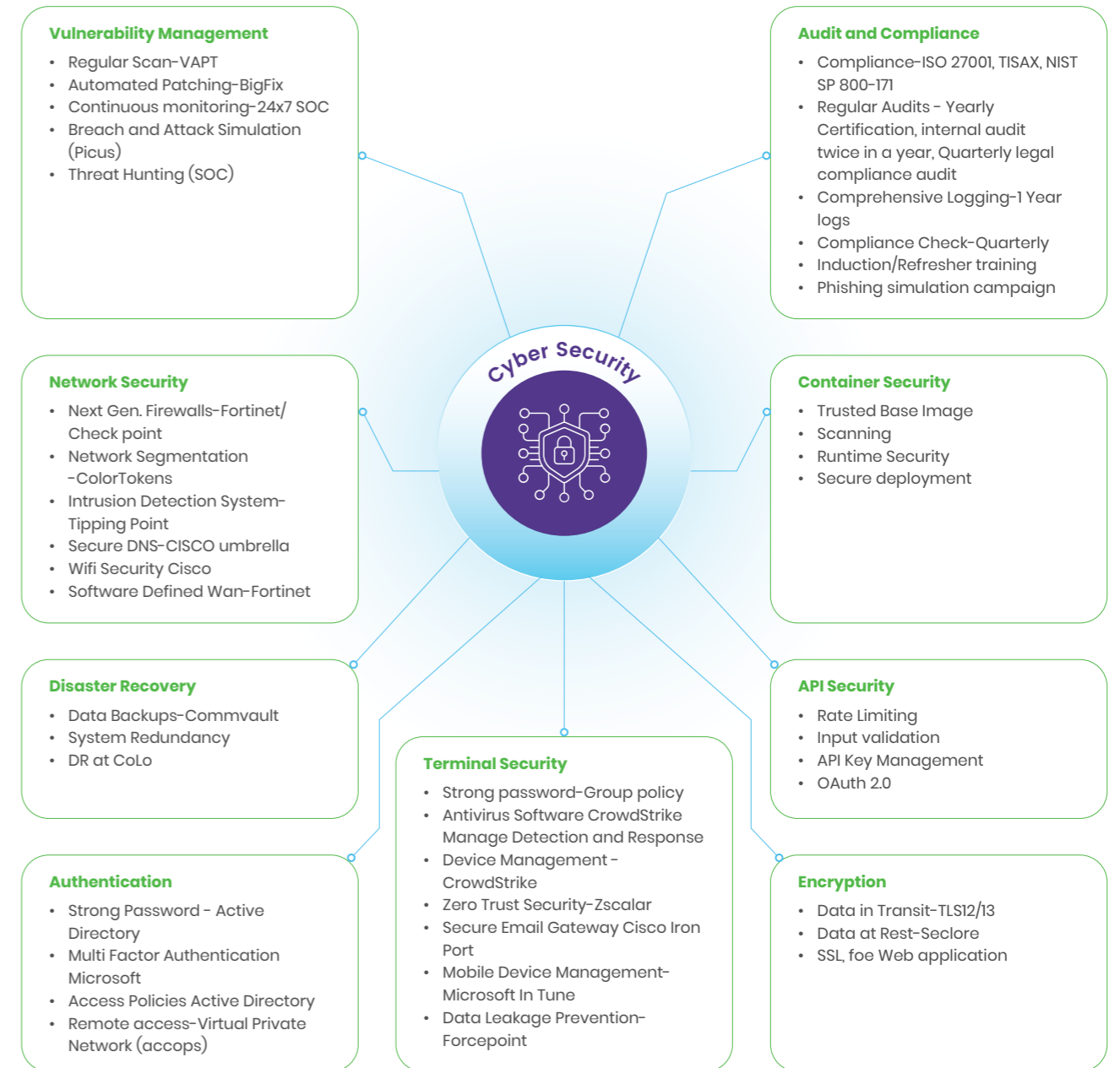
Our IT and Engineering divisions have been certified for ISO 27001 since 2006 and we recently extended this certification to our Defence division, further reinforcing our commitment to global information security standards.

Multi-Layered Security Approach

We deploy a multi-layered, next-generation security architecture that ensures real-time threat prevention and enhances the resilience of our digital infrastructure.

Third-Party Validation

To continually assess and strengthen our cybersecurity posture, we voluntarily undertake Vulnerability Assessment and Penetration Testing (VAPT) and engage independent third-party experts for validation and review.



Training and Awareness on Cybersecurity

We have embraced a comprehensive approach to digital protection, leveraging advanced technologies to secure critical assets, including endpoints, data centres, perimeters and communication networks, ensuring data

integrity both in transit and at rest. Our cybersecurity governance encompasses coordinated efforts across varied departments such as Human Resources, Legal, Physical Security and Environmental, Health and Safety (EHS), reflecting a shared

responsibility model. To reinforce this framework, we conduct regular training and awareness programmes for all our employees.



Human rights

(GRI 2-23, GRI 408, 409, 410-1, 2-28)

We are dedicated to embracing ethical business practices, fostering fair and safe working conditions and prioritising employee well-being. To uphold this commitment, we continually enhance transparency and accountability across our operations, thereby ensuring human rights are protected, promoted and upheld at every level.

100%

Security personnel received Human Right Training

27

Total number of trainings specifically conducted for human rights

Human Rights policy

Our approach is guided by internationally recognised frameworks, including the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Global Compact. In addition, our Human Rights Policy prohibits child and forced labour, ensures fair wages, safe working conditions and dignity at work and safeguards individual rights such as privacy, freedom of association and non-discrimination. While readily accessible to our employees, the policy is also shared with our suppliers and business partners, reinforcing our commitment to human rights across the value chain.

Human Right Due Diligence

As part of our due diligence efforts, we have implemented a comprehensive human rights assessment across all Bharat Forge manufacturing locations. This includes checking for policy accessibility, forced and child labour, minimum wages, anti-corruption, anti bribery, business ethics, working hours, PPE, all statutory records on internal portals, verifying implementation at each plant and conducting site-level reviews. 100% of our workforce was covered under this assessment, ensuring alignment with our policy and identifying any potential risks or gaps in adherence. We have conducted 100% third-party audits for Human Rights Due Diligence during the reporting year.



Human Rights Training Statistics

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
EMPLOYEES						
Permanent Employees	2,566	2,026	78.95	2,363	1,908	80.74
Other than permanent	382	382	100	336	336	100
Total	2,948	2,408	81.68	2,699	2,244	83.14
WORKERS						
Permanent Workers	1,406	417	29.65	1,415	411	29
Other than permanent	5,139	1,155	22.47	4,627	627	13.5
Total	6,545	1,572	24.02	6,042	1,038	17.18



Click here to read more about the policy.

Freedom of Association

We recognise the right to freedom of association as a key aspect of workplace equity. All employees have the right to form or join trade unions, engage in collective bargaining and take part in structured discussions on employment-related matters. These rights are built into our internal policies and regularly communicated across the organisation.

During FY 2024-25

<p>100% of workers (excluding permanent employees) were covered under collective bargaining agreements</p> <ul style="list-style-type: none"> Agreement period: July 1, 2022 – June 30, 2025 Ongoing engagement continued through the Bharat Forge Works Council (Union) 	<p>No violations were reported in relation to:</p> <ul style="list-style-type: none"> Freedom of association or collective bargaining rights Incidents of child labour, forced labour, or hazardous work conditions Indigenous rights across operational and supplier locations 	<p>All operations and suppliers were reviewed for risks related to labour rights.</p> <ul style="list-style-type: none"> No high-risk sites or regions were identified 	<p>Standard employment contracts continue to include a minimum notice period of 21 days (3 weeks) for operational changes.</p>
---	--	---	--

Ethics and Integrity

(GRI- 2-23, 2-24, 2-26, 2-27, 205, 406, 407, 408, 409, 418)

A deep-seated commitment to maintain ethics and integrity forms the crux of our governance philosophy. The unwavering promise to uphold responsibility and transparency is not merely stated but embedded in our culture, guiding the decisions and actions at every level of the organisation.

Key governance-related policies

Our comprehensive set of governance policies, aligned with globally recognised standards and industry benchmarks, are designed to promote ethical

conduct, legal compliance and responsible business practices. We regularly review and update these policies to ensure compliance to evolving legal and regulatory requirements and meet stakeholders' expectations efficiently.

List of the policies

Anti-Corruption and Anti-Bribery Policy	BFL Tax Policy	BFL Whistle Blower Policy	Board Diversity Policy
Code of Conduct for Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information	Conflict Minerals Policy	Corporate Social Responsibility (CSR) Policy	Data Prevention and Protection Policy
Dividend Distribution Policy	Employee Code of Conduct and Business Ethics	Energy Policy	ESG / Sustainability Policy
Human Rights Policy	Material Subsidiary Policy	Nomination and Remuneration Policy of BFL	Occupational Health, Environment and Safety Policy
Policy for Determination of Materiality of Events and Information	Policy for Retention and Archival of Documents	Prevention of Sexual Harassment (POSH) Policy	Related Party Transaction Policy of BFL
Risk Management Policy	Supplier Code of Conduct	Sustainable procurement policy	Conflict Of Interest Policy

Code of Conduct and POSH Policy

Our Code of Conduct and Ethics Policy serves as a fundamental framework, governing the professional behaviour of our directors, senior management, employees and business associates while defining our guiding principles. We also share the Code with our suppliers that helps in setting clear expectations from the outset.

At Bharat Forge, we strive to follow a zero-tolerance approach to unethical behaviour and workplace harassment. Through well-articulated policies, regular training programmes and open communication, we have fostered a strong ethical culture. In addition, we have adopted a strict Prevention of Sexual Harassment (POSH) Policy, as per the provisions of the POSH Act, to ensure a safe work environment for all employees.

All complaints related to sexual harassment are handled with utmost seriousness and are investigated by an Internal Committee formed in accordance with legal guidelines. We uphold the principles of confidentiality, impartiality and fairness, guaranteeing suitable actions are taken based on the Committee's recommendations.

Anti-corruption and bribery measure

We have adopted a stringent Anti-Corruption and Anti-Bribery Policy, articulating our zero-tolerance stance on bribery, corruption, money laundering and investment fraud. It applies to all employees, management personnel, consultants, suppliers and business partners associated with the Company.

Salient aspects of our policy include

- Regularly updated governance codes and internal policies.
- Clear expectations for all stakeholders to adhere to the highest ethical standards.
- Mandatory identification and reporting of any suspicious or corrupt activity by employees.
- Well-communicated principles ensuring professional, fair and transparent business practices.

Zero

Incidents of corruption were identified or reported in the reporting year

Whistleblower Mechanism

To foster a culture of openness and accountability, Bharat Forge has institutionalised a robust Whistle Blower Policy. This policy empowers both employees and external stakeholders to confidentially report unethical behaviour, fraud or violations of the Code of Conduct.

Key features of the mechanism include

- 01 A confidential and secure channel for lodging complaints.
- 02 Independent oversight by the Chairman of the Audit Committee and the designated Whistle Blower Officer.
- 03 Thorough and impartial investigation of all complaints, ensuring confidentiality and fairness.
- 04 Regular monitoring and prompt redressal of grievances to promote transparency.



Grievance Mechanism

We recognise the critical role that businesses play in safeguarding human rights and are dedicated to upholding these rights across our operations and value chain. Our robust Grievance Redressal Framework values transparency, fairness and accountability. In addition, we have established a formal Human Rights Policy, which works in coordination with our Grievance Policy to ensure that concerns are addressed promptly and effectively.

The grievance mechanism functions as follows:

01 Reporting
 Employees, affiliates or community members can confidentially report any concerns or violations to the Human Resource Department or Senior Management. Reports can be made without fear of reprisal or retaliation.

02 Investigation
 A dedicated committee is constituted to investigate reported violations. This committee evaluates the issue and provides a proper action strategy. Remedies are identified in consultation with senior leadership.

03 Monitoring
 Bharat Forge conducts periodic human rights due diligence to monitor the effectiveness of the policy, evaluate its implementation and identify any areas of improvement.

Training and Awareness

As part of the onboarding process, all new employees are required to complete mandatory training as a part of Induction Training. The programme covers key areas including Human Rights, Code of Conduct, POSH, Cyber Security, Whistle Blower Policy and ESG practices. This structured induction ensures consistent awareness of critical policies and promotes a responsible and compliant work environment from the outset. The training modules are tailored to address both foundational and operational aspects of human rights, including:



100%

New joined employee trained

Technology and digitisation

Responsible Tech, Innovative Edge

At Bharat Forge, the role of technology extends beyond a mere tool. Technology catalyses operational excellence, safety and sustainable transformation within the organisation. The integration of cutting-edge technologies across our operations is aiding cost reduction, improvement in efficiency and safety. From advanced analytics to AI-driven safety systems and immersive training, our approach is anchored in innovation with outcome.





Digitalisation is redefining how we operate by enhancing real-time visibility, automating workflows and strengthening safety through intelligent systems. Our technology-first mindset is key to unlocking efficiency, agility and sustainable growth.

- Head IT

Enabling Operational Efficiency Through Digitalisation

Our emphasis on technology-led transformation is yielding tangible improvements in key performance indicators, particularly in Overall Equipment Effectiveness (OEE). Real-time visibility into operations enables faster detection and resolution of emerging issues. This further results in streamlined workflows and enhanced overall process productivity. In addition, incorporation of digital systems is aiding us in optimising manpower deployment through the automation of repetitive tasks, thereby augmenting the overall efficiency.

Currently, we monitor energy and water consumption through real-time dashboards. The insights gained from the smart meters installed on machines and substations enable prompt corrective actions and waste reduction.

Technology-Driven Safety Management

Bharat Forge is integrating advanced technologies to strengthen workplace safety and risk management.

We have replaced traditional paper-based safety checklists with a mobile-enabled system. The system utilises QR codes for faster, more efficient and paperless safety audits. Our ability to access data in real-time enables swift and well-informed decisions.

AI-powered systems are playing a crucial role in augmenting operational safety. Our electric forklifts now feature algorithms that detect human presence and halt movement to prevent accidents. Similarly, CCTV systems utilise AI to monitor PPE compliance, instantly notifying relevant teams with image-based alerts in case of violations.

Further, a VR-enabled fire safety training module is being introduced to simulate emergency scenarios. The simulations are helping employees build hands-on preparedness through immersive and experiential learning.



Centralised Monitoring and Cyber Security

Cyber security remains a core area of our focus as we continue to scale our digitisation efforts. A proactive approach to threat prevention is implemented by our Chief Information Security Officer (CISO). Our approach comprises tailored policies encompassing login protocols, user roles, system access and server/network configuration. Further, cyber security awareness training and certification is mandatory for new hires.

Regular awareness campaigns, simulations and proactive testing help us build resilience to evolving cyber threats. These efforts are anchored at our Incubation Centre, which also supports our broader technology-driven initiatives.

Digital Empowerment Through Training and Performance Management

At Bharat Forge, we are embracing technology to advance our workforce development and improve our overall performance. We are implementing a phased deployment of a centralised training portal to provide our employees with seamless access to learning content, policies and curated development modules. This platform will enable real-time tracking of training programs and their completion across the organisation. The programmes embodies our strategic focus on digital empowerment and sustained learning.

In addition, we have transitioned to a tool-based performance review system using the globally recognised SuccessFactors platform. This has augmented the transparency, consistency and efficiency of the performance management process. Employees and managers can now collaboratively define goals, conduct appraisals and align personal growth with business priorities supporting a standardised global appraisal cycle and nurturing talent for future-readiness.



Bharat Forge's Incubation Centre

The Centre stands at the forefront of the Company's digital transformation. It facilitates innovations in data analytics, robotics and immersive design. Acting as a technology testbed, the centre consolidates data from IoT systems, ERP and costing tools to provide real-time insights through cloud-powered dashboards.

Innovations comprise AI-enabled chatbots that learn and respond dynamically, RPA-based automation to eliminate

repetitive tasks and XR solutions that simulate complex designs—like defence vehicles at life scale for optimisation. Remote monitoring capabilities bridge global skill gaps, while in-house development ensures agility and IP ownership. By fusing cross-functional collaboration with a future-ready talent strategy, the Incubation Centre is redefining how Bharat Forge builds intelligent, efficient and sustainable manufacturing ecosystems.



People

Cultivating Talent, Accelerating Growth

(GRI:2-7,2-8,401-1,2,3, 404-1)

Our people are the driving force behind our continued success and innovation. Recognising that empowered individuals create empowered organisations, we are committed to fostering a workplace that thrives on integrity, inclusion and continuous growth—both personal and professional. Our people strategy goes beyond policies and procedures; it is built on a deeper philosophy of connection, collaboration and shared purpose.

We consciously invest in creating a holistic employee experience. From thoughtfully designed wellness initiatives and vibrant cultural celebrations to employee-led sustainability drives and team-building activities, every effort is made to nurture a work environment where individuals feel seen, heard and valued.



Employee Engagement and Well-being

Our employee engagement initiatives are designed to build a connected, inclusive and friendly workplace that fosters participation, well-being and a shared purpose. We strive to create a meaningful employee experience with team-building events, wellness programmes, cultural celebrations and sustainability drives. These initiatives also align with our core values and ESG commitments.

0.17%

Of the total revenue of the Company spent on wellbeing measures.



At Bharat Forge, we view continuous learning and employee well-being as the foundation of a resilient workforce. Our people-centric approach ensures every individual is empowered, skilled and supported to grow both personally and professionally.

- CHRO



Goals and Progress

Purpose	Measures Undertaken	Progress Achieved (FY 2025)
Nurturing human capital to shape a better future	48 hrs/year/employee by 2030 Employee Training hours	21.92 hrs/year employee training given
	75% reduction in Lost Time Incidents Frequency Rate by 2030	52% change in LTIFR against last FY (Present: 0.44)
	8% women in managerial and leadership positions by 2030	2.51% achieved

Fostering Team Bonding and Celebrations

To promote collaboration and personal rapport, we organise activities that help employees connect beyond their daily work.



IT Offsite at Corinthians

The IT team organised an offsite at Corinthians Resort to support team building. Participants from diverse sub-teams interacted freely in a relaxed setting, away from formal work structures. Team games, informal sessions and group activities enabled employees to connect on a personal level, strengthening mutual understanding for future projects.



60
Participants

Health Awareness Sessions

We organise health awareness sessions for our employees, covering essential topics such as kidney and heart care, cancer prevention, lifestyle diseases, healthy eating habits, mental health and stress management. Led by healthcare professionals, these programmes aim to educate and empower our workforce to make informed health choices.

1,746
Participants



International Yoga Day

Celebrated with the theme 'Vasudhaiva Kutumbakam' ('One Earth, One Family, One Future'), the event included sessions on yoga, meditation and workplace ergonomics, encouraging our employees to prioritise both physical and mental wellness.



382

Participants

Shiv Jayanti

We celebrated Shiv Jayanti, honouring the legacy of Chhatrapati Shivaji Maharaj. We paid tribute to his visionary leadership and inspired our employees with values of courage, resilience and unity.



In-house Magazine

We publish 'Pariwar,' our quarterly in-house magazine, as a medium to share Company updates, employee achievements and creative expressions. It features articles, poems, stories and personal experiences contributed by our employees and their families, fostering engagement, creativity and a sense of belonging within our organisation.

Celebrations

We believe in celebrating milestones and cultural events to strengthen workplace camaraderie. We marked the 78th Independence Day and the 76th Republic Day with great enthusiasm. During 'Khandenawami' on 11th October 2024 we performed Yantra Pooja and shared festive meals. Our Chairman, joined by the leadership team, led the Lakshmi-pujan during Diwali, enhancing the festive spirit across the organisation.



870

Participants



Ganesh Idol Making

To mark Ganesh Utsav, we organised a hands-on workshop where our employees created Ganesh idols using eco-friendly materials. This initiative promoted sustainability and offered our workforce a creative way to connect with cultural traditions.

540

Participants

Joy of Giving Week (Daan Utsav)

As part of our ongoing commitment to fostering a compassionate and inclusive workplace, Bharat Forge has actively participated in the Joy of Giving Week (Daan Utsav) for the past ten years. This annual celebration, held every October, encourages our employees to give back to the community and support those in need.

With remarkable enthusiasm, our employees across locations extended support to nine residential NGOs working with underprivileged communities. Contributions included essential supplies such as food grains, pulses, edible oil and monetary donations, all aimed at improving the quality of life for residents in these institutions.

World Water Day

We observed World Water Day on 22nd March 2024 with the theme 'Accelerating Change – Be the Change You Want to See in the World.' The initiative aimed to educate our employees on responsible water use and conservation strategies, reinforcing our environmental sustainability efforts.

Teacher's Day

We celebrated Teacher's Day to appreciate our internal trainers and mentors who contribute to a culture of learning and development. More than 80 employees were honoured with certificates and gifts. A street play on the Green Revolution was performed, raising awareness about environmental sustainability.

280

Participants

Monsoon Photography Contest

We organised a Monsoon Photography Contest across our group companies to celebrate the beauty and mood of the monsoon season through our employees' artistic perspectives. The contest received enthusiastic participation from various locations, with stunning visual interpretations of rain, nature and life during the monsoon.



Cricket Tournament

We conducted our Inter-Department Cricket Tournament, with 18 teams participating, promoting team spirit, fitness and interdepartmental bonding.



1,222
Participants



Indoor games

We hosted carrom & chess tournaments and participated in the 5th Indoor Games by ACMA, where our teams secured 2nd and 3rd positions, showcasing our employees' talents beyond the workplace.

308
Participants

Diwali Exhibition

We organised a Diwali Exhibition through our Community Development Centre, featuring 20 stalls run by 58 women from local communities. The products ranged from handicrafts to homemade snacks. Over 1,300 employees attended, supporting community women entrepreneurs and celebrating the festive spirit.

2,145

Employee visitors



Blood Donation Camp

We conducted a Company-wide blood donation camp across all our plants to honour our CMD on his birthday. The overwhelming participation reflected our team's compassion and commitment to social responsibility.

1,678

Blood donors



National Safety Week

We celebrated the 54th National Safety Week in March 2025 under the theme 'Safety and Well-being Crucial for Viksit Bharat'. The week included safety pledges, interdepartmental contests, awareness campaigns and training sessions, all aimed at promoting a proactive safety mindset.

8,190

Participants



Daily HSE Message

We share 'Daily HSE Messages' through emails, toolbox talks and shop-floor presentations to instill safety awareness. These daily communications cover topics such as hazard prevention, emergency response and workplace safety, reinforcing our culture of safety and responsibility.

Fire Service Day

During National Fire Services Week (14th–20th April 2024), we conducted extensive training and awareness sessions on fire prevention, emergency preparedness and equipment handling. This initiative aligned with the national theme 'Ensure Fire Safety, Contribute towards Nation Building.'

993

Participants



Road Safety Week

We observed Road Safety Week 2025 with the theme 'Be a Road Safety Hero.' In partnership with our logistics team, we conducted roadshows and training for employees and drivers to raise awareness about safe driving practices and road etiquette.

270

Participants



World Environment Day

On 5th June 2024, we celebrated World Environment Day across all our locations. Activities included sapling plantation drives and interactive awareness sessions on reducing plastic waste, aligning with the theme 'Solutions to Plastic Pollution.'

1,981

Participants



Cultural Festival

We hosted a vibrant Employee Day celebration, featuring drawing, dance, singing and fancy dress competitions for employees and their families. A fun fair and prize distribution ceremony added to the festive atmosphere. Over 2,600 employees and their families joined the celebration, creating a memorable shared experience that encouraged workplace interaction and strengthened community bonds.

5,725

Participants



Leadership Interaction

We have established forums that enable employees to engage directly with leadership, share perspectives and raise queries in an open environment-

Coffee with CIO

This initiative allows employees from the IT function to interact informally with the Chief Information Officer (CIO). The sessions provide an opportunity to exchange views, discuss ongoing projects and align on strategic IT initiatives.

Skip-level Meetings with CHRO

These meetings bypass immediate reporting levels, allowing employees to interact directly with the Chief Human Resources Officer (CHRO). These serve as a feedback mechanism to understand employee concerns and expectations.

Town Halls

Regular town halls are conducted across business functions, such as IT and Finance. These sessions offer updates on our Company's vision, functional goals and progress, while addressing queries from teams in a group setting.



Rewards and Recognition

Rewards and recognition are integrated into the employee experience at Bharat Forge, to acknowledge individual and team contributions. A quarterly R&R programme recognises high-performing employees across various departments, with nominations submitted by function heads. This initiative has covered teams from Information Technology (IT), Machine Tool Business (MTB), Environmental, Social and Governance (ESG), Legal and Secretarial, Finance and Human Resources (HR).

Recognition is further supported through performance reviews conducted as part of the annual PMS.



Key Highlights

8 departments conducted quarterly R&R

17 employees recognised through formal sessions

17 interns acknowledged

3 engagement sessions conducted for awardees and teams

Diversity and Inclusion

(GRI:405-1,2)

Creating a diverse and inclusive workplace is integral to operation and growth strategy at Bharat Forge. We recognise that an inclusive culture, where all individuals are respected, valued and empowered to contribute meaningfully, strengthens organisational resilience and enhances agility. We have institutionalised a formal Diversity, Equity and Inclusion (DEI) Policy, supplemented by our Human Rights Policy, both of which are publicly accessible.

Click here to access

Human right policy - https://www.bharatforge.com/assets/images/csr/Human_Right_Policy.pdf

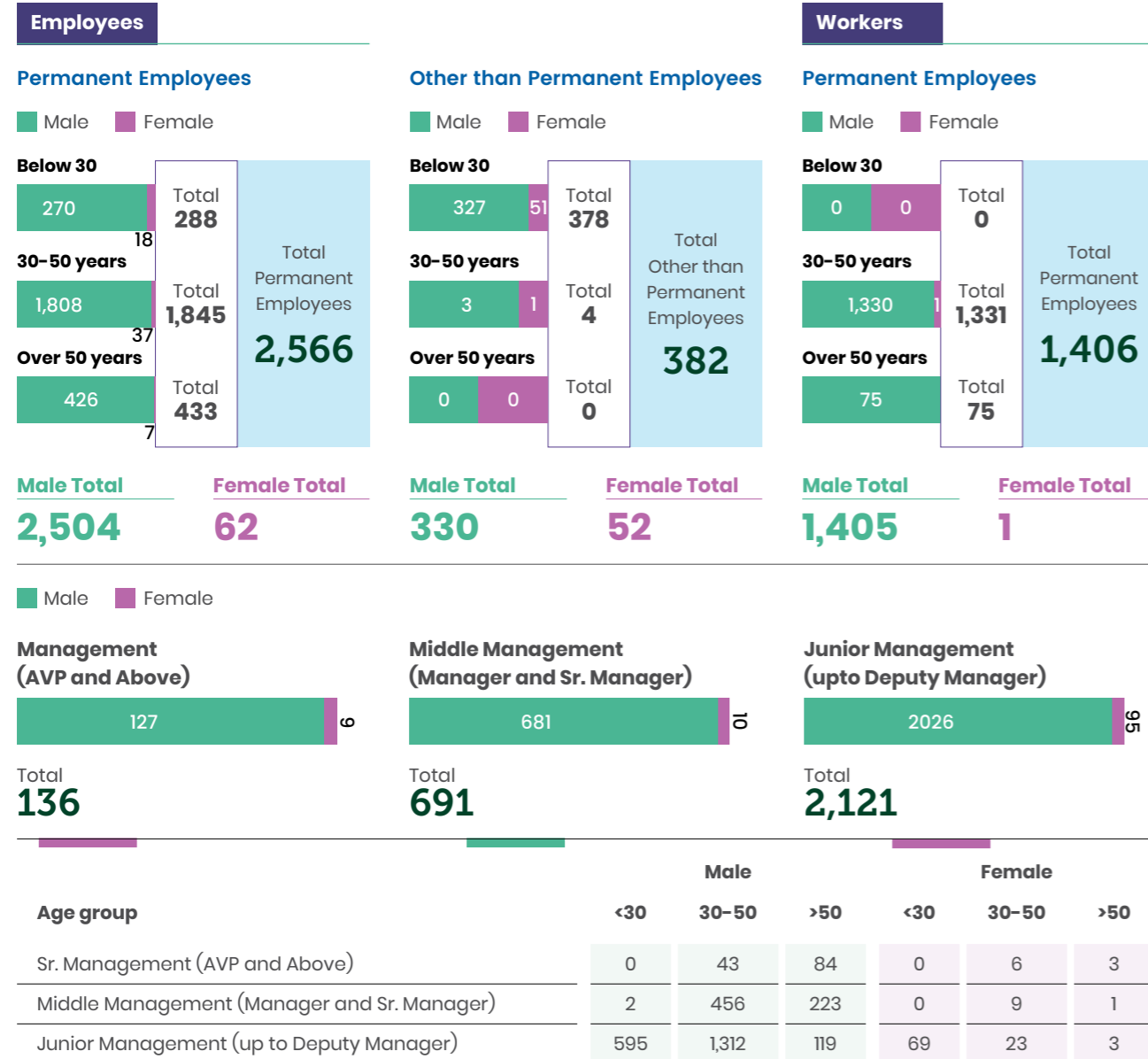
DEI Policy- https://www.bharatforge.com/assets/images/csr/BFL-20_Diversity_Policy.pdf

The policies guide our practices, ensuring fair and respectful treatment of all individuals, regardless of gender, age, ethnicity, religion, nationality,

disability, sexual orientation or family status.

Our facilities are designed with accessibility in mind, incorporating ramps, elevators and handrails. We also continue to integrate inclusive values into leadership development, performance assessments and employee engagement initiatives, ensuring that inclusion is not just an aspiration but a core aspect of our organisational culture.

Employee Diversity by Age, Category and Gender



Wages paid to employees

	FY 2024-25				FY 2023-24					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum wages		More than Minimum Wage	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)		
EMPLOYEES										
Permanent	2,566	0	0	2,566	100%	2,363	0	0	2,363	100
Male	2,504	0	0	2,504	100%	2,319	0	0	2,319	100
Female	62	0	0	62	100%	44	0	0	44	100
Other than permanent	382	0	0	382	100%	336	0	0	336	100
Male	330	0	0	330	100%	310	0	0	310	100
Female	52	0	0	52	100%	26	0	0	26	100
WORKERS										
Permanent	1,406	0	0	1,406	100%	1,415	0	0	1,415	100
Male	1,405	0	0	1,405	100%	1,414	0	0	1,414	100
Female	1	0	0	1	100%	1	0	0	1	100
Other than permanent	5,139	0	0	5,139	100%	4,627	0	0	4,627	100
Male	5,035	0	0	5,035	100%	4,597	0	0	4,597	100
Female	104	0	0	104	100%	30	0	0	30	100

Gender Representation in the Workforce

We are making gradual progress in improving gender diversity across our Company. The increasing representation of women is a positive indication that our DEI programmes are beginning to foster a supportive and inclusive environment. These efforts focus on building a workplace where women have the opportunity to contribute meaningfully across different roles and functions.

Further, the growing representation of women at leadership levels marks a significant step towards broader inclusion in key organisational decisions, reflecting our commitment to diversity at all levels.



Workforce Support and Inclusion Programmes

During the year, we introduced several targeted initiatives aimed at strengthening key enablers of inclusion. A key intervention was our collaboration with Dew Drops Day Care and Playschool in Magarpatta to provide a professionally managed crèche facility for employees. The facility, catering to children aged six months to six years, provides a safe, hygienic and nurturing environment. It plays a crucial role in supporting working parents—particularly mothers—by offering reliable childcare close to the workplace. This initiative has been instrumental in enabling employees to maintain career continuity while meeting family responsibilities.



I want to express my sincere gratitude to the Bharat Forge HR team for providing access to the crèche facility. I recently enrolled my son and was thoroughly impressed with the experience. Adherence to hygiene, structured daily activities and personalised attention offered by the staff have made a real difference.

— Mrs. Swarna Tawaskar, Assistant Manager, CDFD Engineering

Empowering our women

We hosted a self-defence training session for women employees on International Women’s Day. This initiative was designed to improve awareness, safety and self-confidence, with focus on building a secure environment for women.

Training and Development

Our structured training architecture is designed to close competency gaps, meet compliance requirements and build functional excellence across permanent and contractual employee groups.

Talent Development and Upskilling

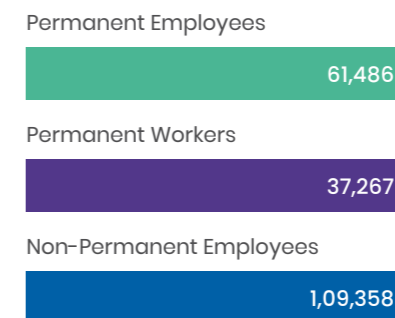
(GRI:404-1,2,3)

We believe continuous learning is essential to both personal growth and organisational excellence. To support this, we have established a structured framework that not only builds technical expertise but also aligns individual aspirations with business needs. Also, career reviews are conducted for all employees to assess progress, identify development areas and design tailored growth plans.

Our technical skills matrix encompasses eight core domains, including Hydraulics, Mechatronics and Robotics, with 158 sub-skills mapped across operational roles. Each skill is classified from Level 0 to Level 3. All shop floor roles have been evaluated for required versus actual skill levels, with targeted training plans.

- **Training Needs Assessment (TNA)** forms were circulated to over 1,800 employees, with most of them completing it after discussions with their managers.
- **Individual Development Plans (IDPs)** are prepared for high-potential employees occupying critical roles.

Total training hours



Training Coverage

During the reporting year, our training efforts were aligned with identified skill requirements and operational requirements. A targeted learning initiative across permanent and contract employees ensured that consistent standards are upheld in all segments of our Company.

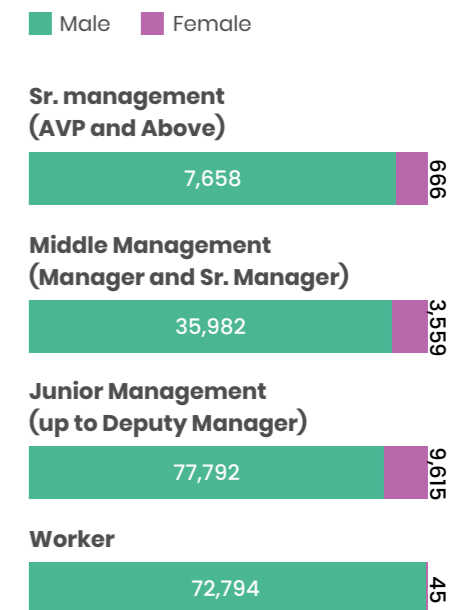
For permanent employees, the average training delivered stood at individual, addressing a mix of technical, behavioural, safety and compliance topics. Contract workers received focused training primarily centred on safety and technical competencies to support effective task performance.

Women’s Day 2025

Approximately 200 employees took part in a series of activities to celebrate Women’s Day, which included motivational talks, as well as painting and photography sessions.



Employee Category-Wise Training Manhours



Training Hours Spent Based on Age and Category

	Male			Female		
	<30	30 - 50	>50	<30	30 - 50	>50
Permanent Employees	25,823	15,534	4,184	2,092	2,763	666
Non-Permanent Employees	8,139	827	0	1,419	39	0
Permanent Workers	0	27,950	9,291	0	26	0
Non-Permanent Workers	43,202	51,767	10,987	1,865	1,537	0

Key Initiatives and Delivery Models

Our Company designed training programmes based on identifying skill gaps using internal assessment metrics. New employees are enrolled in a dual induction process, beginning with a centralised orientation, followed by an on-boarding specific to their department.

Key training topics during the year included

- Personal Protective Equipment (PPE) usage and fire safety protocols
- Lock-out, Tag-out (LOTO) systems for operational safety
- Weekly toolbox talks with digital record keeping
- Geometric Dimensioning and Tolerancing (GD&T)
- POSH (Prevention of Sexual Harassment) awareness
- Human Rights Training (achieving 100% workforce coverage)

Additionally, we launched soft skills development programmes targeted for select employee groups. These sessions focused on verbal communication and workplace etiquette and were conducted over four weeks, optimising attendance without affecting regular operations.

DOJO Centre

The DOJO Centre at our Mundhwa facility is a purpose-built training environment designed to foster hands-on learning and continuous improvement. It conducted **282** training sessions for over **3,050** employees, focusing on manufacturing practices like 5S, electrical systems and Total Productive Maintenance (TPM). The centre serves as a critical enabler of lean manufacturing, supporting waste reduction and operational excellence.



Applied Innovation Training

The AI Digital Lab serves as an ecosystem that merges innovation, training and digital transformation. The lab has dedicated zones for brainstorming, prototype showcasing and virtual reality-based design reviews. A steering committee ensures the lab's strategic alignment with core business functions, positioning it as a catalyst for innovation. The facility plays a crucial role in upskilling employees in data-driven process improvement and digital tools.

Training Delivery and Digitisation

Training records are currently tracked through a hybrid system involving attendance sheets and digital uploads. An internal Management Information System (MIS) tracks session counts and participant details. Looking ahead, we aim to transition to a skill matrix-based digital platform to improve traceability, automate record-keeping and reduce reliance on manual inputs, especially for new hires.

Training KPIs for FY 2024-25

1,04,289

Total Training hours for on skill up gradation

1,03,822

Total training hours for Environment, Health and Safety, ESG(Environment, Social Governance), Policies

21.92

Total average training hours

100%

Participation in POSH Training

100%

Security Personnel were provided training on Human rights

Proactive Health Management for All Employee

Health and wellbeing remain a key priority at BFL, with systems in place to monitor, prevent and manage employee health risks. The Company employs four dedicated doctors, including an orthopedic surgeon and senior physician and maintains an in-house medical facility led by the Chief Factory Medical Officer. Routine screenings are conducted for contractual employees, with clinical tests such as CBC and lipid profiles performed as necessary. Health data is reviewed daily and monthly to identify trends. Additionally, partnerships with key hospitals in Pune enable real-time access to executive check-up reports through secure medical software. In addition, the Company is shifting towards task-based health risk assessments, focusing on early identification and targeted follow-up for high-risk individuals. This strategic approach enhances productivity, reduces downtime and reflects BFL's commitment to sustainable workforce wellbeing. As part of these efforts, we have also installed ECG and AED machines at our biggest manufacturing facility in Mundhwa.



Shaping the Workforce of Tomorrow

We believe our people are our biggest strength. As the organisation grows and evolves, we remain equally focused on building a future-ready workforce equipped to grow alongside us. This involves attracting talented professionals from across industries and giving them the tools, opportunities and environment they need to thrive.

Over the past year, we have continued to recruit individuals from a wide range of backgrounds, bringing in fresh perspectives and valuable experience from both established enterprises and emerging organisations. However, our efforts extend beyond recruitment—we are equally committed to nurturing talent from within. Open positions are first shared internally, giving our teams the opportunity to take on new challenges and expand their careers.

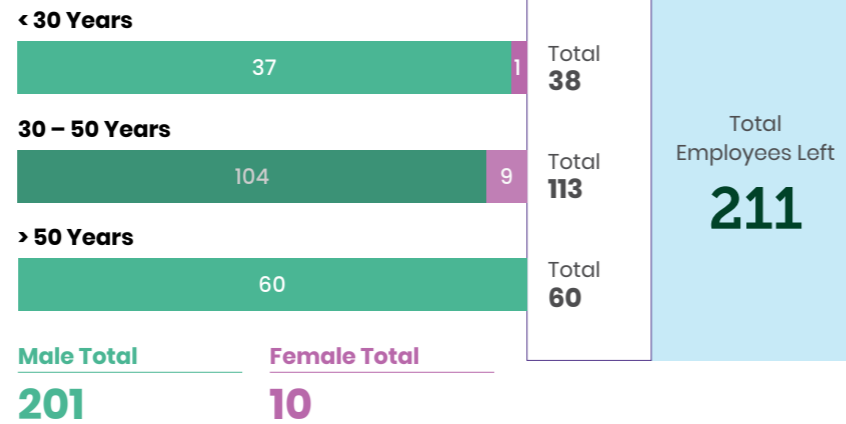
We have also increased investment in practical, on-the-job learning. Whether someone is just beginning their professional journey or preparing for their next career step, we support them in building the skills needed to succeed, both now and in the future.

FY 2024-25

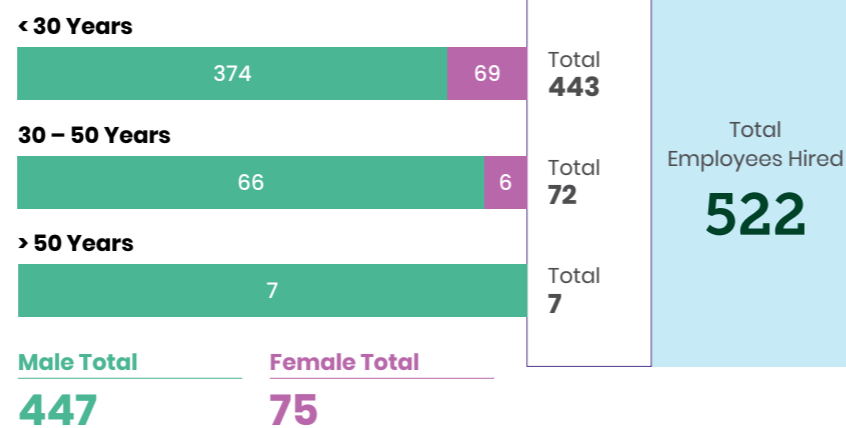
For Permanent Employees

Male Female

Employees Left



New Employees Hired



Employee Welfare: Supporting Health, Balance and Security

At Bharat Forge, employee welfare is a key pillar of our people-first philosophy. We are committed to fostering a safe, healthy and supportive workplace where every individual can thrive. Our approach enable physical, emotional and financial well-being.

Employees and their families are covered under comprehensive health and accident insurance plans. Routine health check-ups, consultations and access to nutritious food at subsidised rates are provided across locations. In addition, we organise a range of wellness activities, including yoga sessions, stress management seminars and nutrition awareness programmes, to promote a healthy work-life balance.

In-house medical support is made available to all categories of workers, including contractual staff, through timely clinical assessments and preventive screenings. These initiatives aim to create a culture of care while minimising health risks at the workplace. We continue to enhance these offerings to meet the evolving needs of our diverse workforce.

Empowering Growth and Security

Bharat Forge recognises that wellbeing is essential not only during employment but also through key career transitions. To this end, we have designed robust programs that provide financial security, professional development and personal empowerment.

Our retirement-linked benefits, including Provident Fund, Gratuity and Superannuation, help employees plan their future with confidence. In addition, we offer Privilege Leave and Parental Leave benefits, reinforcing our support for work-life balance. Employees approaching retirement have access to career counseling, training and structured early retirement options under our Voluntary Retirement Scheme (VRS).

In line with our commitment to supporting working parents, we have partnered with Dew Drops Day Care and Playschool in Magarpatta to offer quality childcare services. This professionally managed facility provides a nurturing and hygienic environment for children aged 6 months to 6 years, enabling parents—particularly women—to continue their careers with peace of mind.

Through these integrated programmes, we aim to create a workplace that not only values people but also enables them to succeed, both professionally and personally.



Employees benefits

(GRI- 2-23, 2-24, 2-26, 2-27, 205, 406, 407, 408, 409, 418)

We take a thoughtful and holistic approach to employee wellbeing, recognising that physical, emotional, financial and career-related needs all contribute to an individual's overall quality of life. Our aim is to support our people through key life transitions, provide access to essential services and cultivate a workplace culture built on care, resilience and mutual respect.

Our Wellbeing and Transition Assistance Programme includes structured retirement support, career counselling and voluntary retirement schemes (VRS), along with a broad range of core benefits, wellness initiatives and tools designed to foster engagement and fulfilment at work.

Core Benefits and Support Services

Retirement and Financial Security

- Provident Fund contributions in line with statutory requirements
- Superannuation fund contributions (15% of basic salary)
- Gratuity (statutory and additional)
- Interest-free loans, relocation assistance and two-wheeler financing

Leave Entitlements

- Privilege leave, casual leave and sick leave
- Maternity leave and relocation or joining leave

Communication Support

- Company-issued mobile handsets
- Corporate SIM cards with data access

Insurance and Family Wellness

- Comprehensive medical and accident insurance for employees
- Coverage extended to dependent family members
- Employee Death Relief Policy

Rewards and Recognition

- Long-service awards
- Superannuation gifts
- Silver Jubilee awards
- Ongoing employee recognition initiatives



Employee Health and Wellness Programmes

Physical Wellbeing

- Regular health check-ups, both on-site and off-site
- Follow-up consultations after screening
- Sessions on awareness of lifestyle-related conditions
- Cardiac and vision camps
- Access to a fitness centre with trained professionals
- Balanced, nutritious meals monitored by the canteen committee

Emotional Wellbeing

- Access to professional psychological counselling
- Mindfulness and relaxation practices
- Yoga, meditation and progressive muscle relaxation
- Breathing and desk-based exercises to ease stress
- Stress management workshops

Family Support and Inclusion

In partnership with Dew Drops, we offer professional crèche services for children aged six months to six years. This helps support working parents and promotes inclusive growth.

Promoting Healthy Habits

- Skilled medical staff available at all plant locations
- Support for employees aiming to quit substance use, in line with government regulations

Fostering a Culture of Wellness

- Annual surveys to understand emotional wellbeing
- Signature initiatives such as Relationship Management, Reflective Conversations, Potential Life Journey and Coaching and Mentoring

Building Strong Work Relationships

- Open dialogues with leadership to ensure alignment of purpose
- Platforms to promote knowledge-sharing and execution excellence
- Webinars focused on work-life balance and overall engagement



Health and Safety

A Culture of Prevention and Preparedness

GRI (403-1,2,3,4,5,6,7,8,9,10)

Health and safety are fundamental to our operational integrity. Guided by ISO 45001:2018, our safety strategy emphasises proactive identification, mitigation and prevention of occupational risks. Our structured systems spanning hazard identification, emergency preparedness, risk assessments and incident analysis reflect our commitment to protecting employees, contractors and assets—while fostering a resilient and safe workplace.



Emergency Response System

To ensure swift and effective crisis management, BFL has established a comprehensive Emergency Response System. A team of trained personnel leads the response, covering key areas such as rescue, communication, medical support, electrical safety and logistics. Regular mock drills and simulations are conducted to enhance awareness and strengthen response readiness across the organisation. These efforts are integral to our approach to minimising the impact of potential emergencies on people, property and operations.

Hazard Identification and Risk Assessment (HIRA) process

We prioritise a proactive approach to workplace safety through a structured Hazard Identification and Risk Assessment (HIRA) process. Aligned with ISO 45001:2018, HIRA enables us to systematically identify potential hazards, assess associated risks and implement preventive measures across all operations. This comprehensive process not only safeguards our workforce and assets but also strengthens our commitment to a culture of safety and operational excellence. The key steps involved are

01 Pre-Assessment Preparations

Initial planning and documentation review to define the scope and objectives.

04 Walk Round Tours and Quantification of Hazards

On-ground walkthroughs to observe activities, identify hazards and record their frequency and severity.

02 Pre-Assessment Meeting with HSE Leaders

Alignment with Health, Safety and Environment (HSE) leadership to discuss focus areas and responsibilities.

05 Evaluation of Hazards, People or Severity Factors

Analysing identified hazards by assessing risk levels based the likelihood of occurrence and the potential impact on personnel.

03 Conducting Interviews

Engaging with stakeholders and employees to gather insights on operations and potential hazards.

06 Post Evaluation Activity

Final review and documentation of findings, along with defining corrective actions and mitigation plans.



Safety Reporting Mechanism

Aligned with ISO 45001:2018, BFL encourages employees to report work-related hazards and near-misses using the Safety Observation System. Workers participate in toolbox talks, audits and regular safety meetings to promote a culture of vigilance. A robust safety audit programme supports accountability and strengthens risk prevention across sites.

Safety Control System

Our Safety Control System is designed to reduce risks arising from both internal and external factors. Regular audits and the implementation of safety standards help mitigate risks. Safety Meetings are conducted at departmental and apex levels to address concerns, drive actions and promote cross-functional collaboration.



Incident Analysis

All incidents and near-misses are systematically recorded and analysed under our Zero Reportable/Loss Time Incidents policy. Insights gained from investigations are used to fine-

tune controls, review permit systems and prevent recurrence. This structured approach ensures a safe working environment and continuous improvement in safety performance.

Also, we ensure 100% third-party audits for health and safety across all locations, reinforcing our commitment to maintaining the highest standards of workplace safety and compliance.

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.45
	Workers	0.66	1.14
Total recordable work-related injuries	Employees	0	3
	Workers	10	17
No. of fatalities (safety incident)	Employees	0	0
	Workers	0	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note: Contract workers (other than permanent workers) are included in the workers category. LTIFR calculation is considered as No. of employees/workers in the month 26 working days 8 hours of work each day

Comprehensive Safety Training for a Safer Workplace

Safety training is an ongoing, multi-level initiative designed to equip employees and contractors with the skills and knowledge to handle real-world hazards effectively. Annually, 12 targeted safety modules are delivered—one each month—covering critical scenarios such as LPG leaks, oil spills, evacuation and food poisoning. Tailored training is provided based on role, industry type and location, with special focus on pictorial and language-appropriate content for contract workers. Under the Self-Teaching Education Programme (STEP),

contract staff must pass a safety exam to qualify for work. To boost engagement and retention, VR-enabled experiential modules are being introduced, beginning with fire safety. Additionally, a digital safety checklist system, integrated with QR-code access, streamlines audits and reinforces data-driven safety oversight. Regular mock drills with department fire marshals and fire wardens, supported by tools such as auto-activating fireballs, further strengthen emergency preparedness and response capabilities.



As part of our commitment to a safe and informed workplace, we have conducted several safety trainings across all our sites. These sessions are designed to build awareness, strengthen on-ground practices and ensure that every employee is fully equipped to recognise and respond to potential hazards effectively.

— Safety Officer



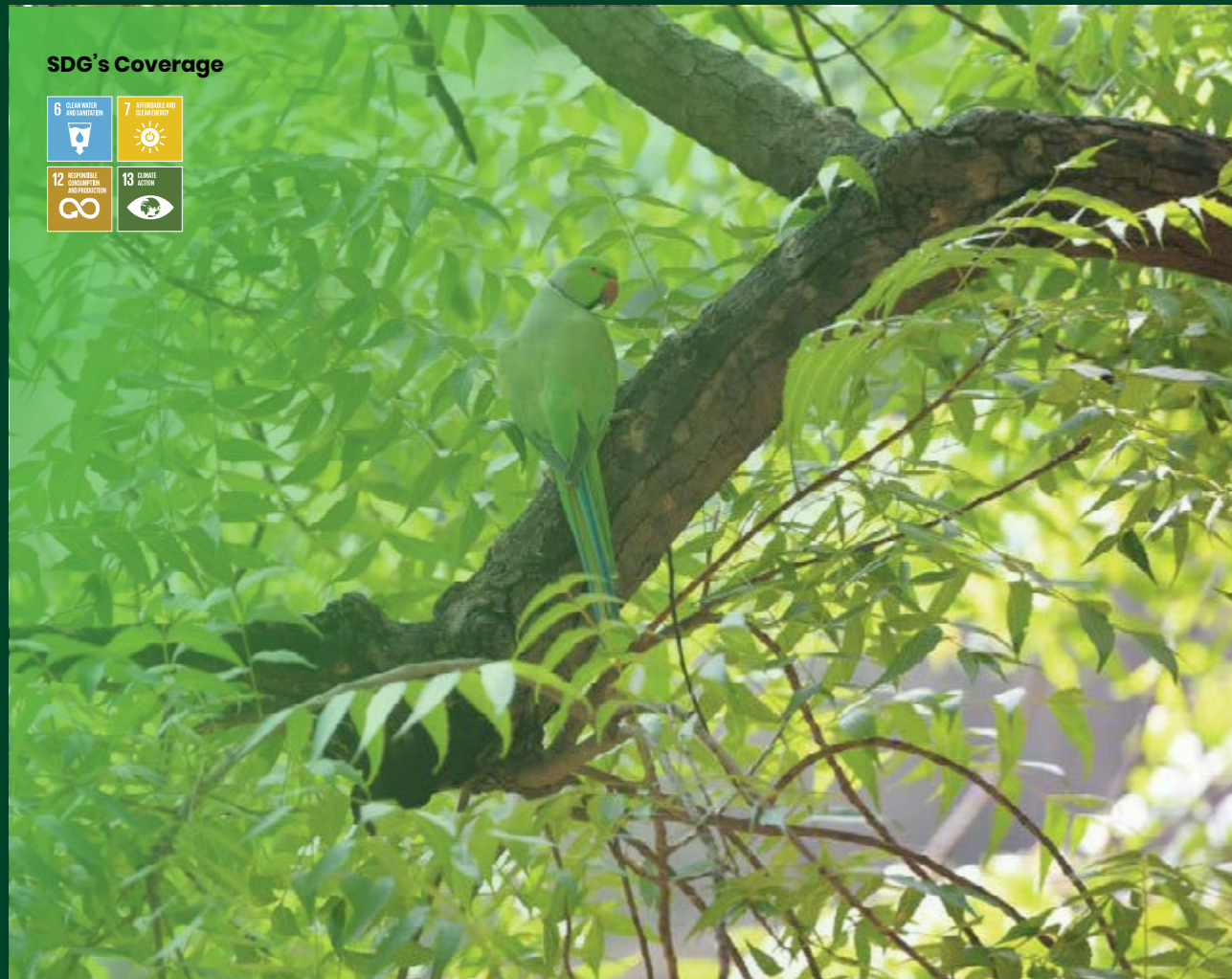
Environment

Fueling Change, Forging Sustainability

GRI(302,303,305, 306)

Energy management is the cornerstone of our climate-conscious philosophy. Recognising the environmental ramifications of industrial energy consumption, we have implemented a focused strategy to reduce emissions, augment efficiency and progressively transition towards cleaner energy alternatives.

Our approach is anchored in constant oversight and innovation, as we adopt advanced solutions to minimise both our direct and indirect emissions. These actions reaffirm our resolve for a cleaner, more sustainable manufacturing future.



Environmental Impact Assessments (EIA) have been conducted across all sites and operations, ensuring compliance with environmental regulations and proactive management of ecological impacts.

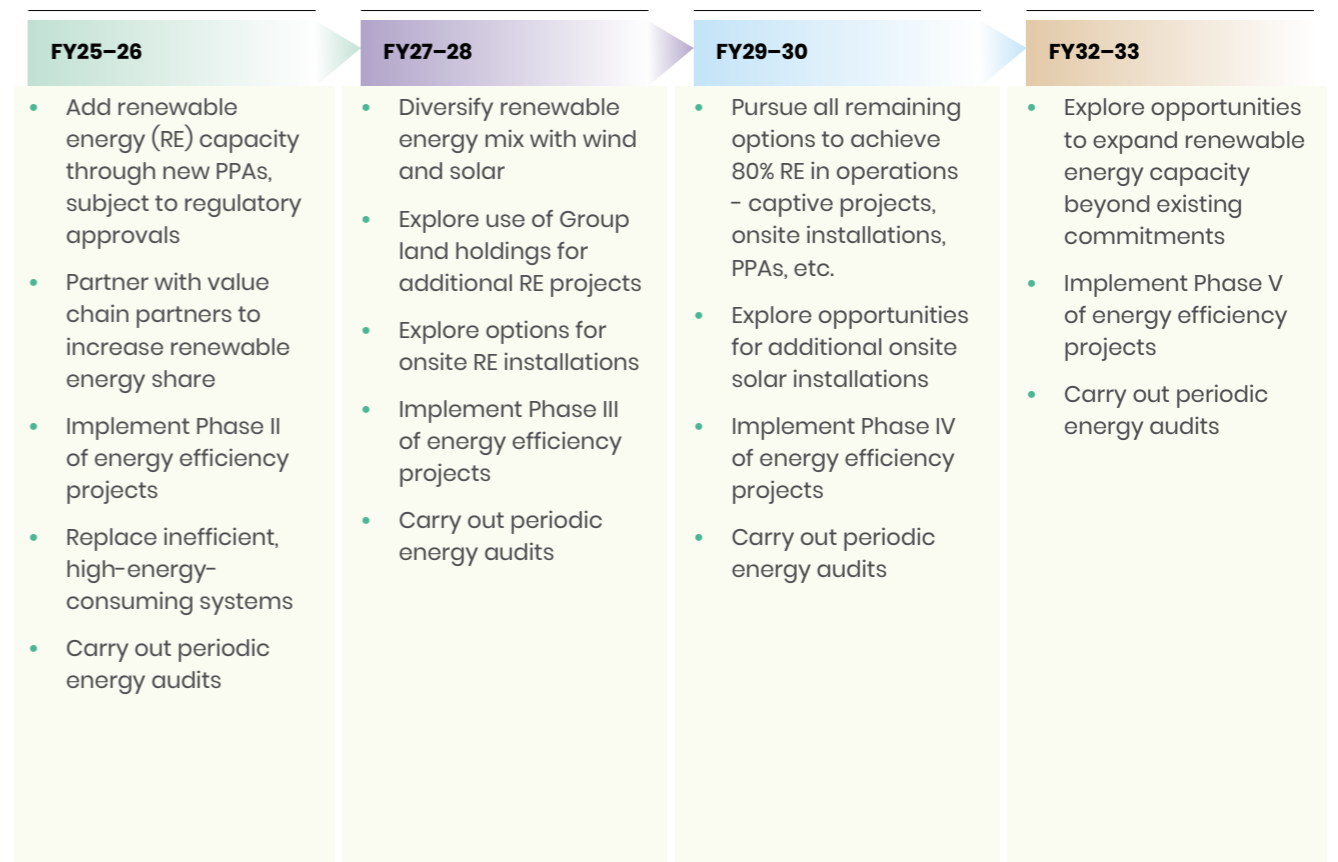
Key Initiatives

<p>Energy</p> 	<p>Emissions</p> 
<p>Installation of High-Velocity Burners</p> <p>Enhanced thermal efficiency and reduced emissions by recovering waste heat; annual savings of 510 MWh and 370 tCO₂e.</p>	<p>Replacement of Fuel-Fired Furnaces with Electric Induction Heaters</p> <p>Transition enabled use of renewable electricity, achieving better heat control and lowering carbon intensity.</p>
<p>Decarbonisation</p> 	<p>Water Management</p> 
<p>Battery-Operated Pallet Trucks (BOPTs)</p> <p>Replacing diesel forklifts has reduced Scope 1 emissions by eliminating 50 litres of daily diesel consumption, while improving safety and maneuverability.</p>	<p>Smart Water Meters with Centralised Monitoring System</p> <p>Enabled real-time tracking and early leak detection, driving efficient water use across all operations.</p>
<p>Waste Management</p> 	<p>Circularity</p> 
<p>Reuse of Used Oil as Rust Preventive</p> <p>Circular use of filtered oil in packaging saved ~8 barrels monthly and reduced hazardous waste.</p>	<p>Transition from Wooden to Metal Pallets</p> <p>Eliminated 63,000 kg of annual wood waste through durable, multi-use metal pallets.</p>

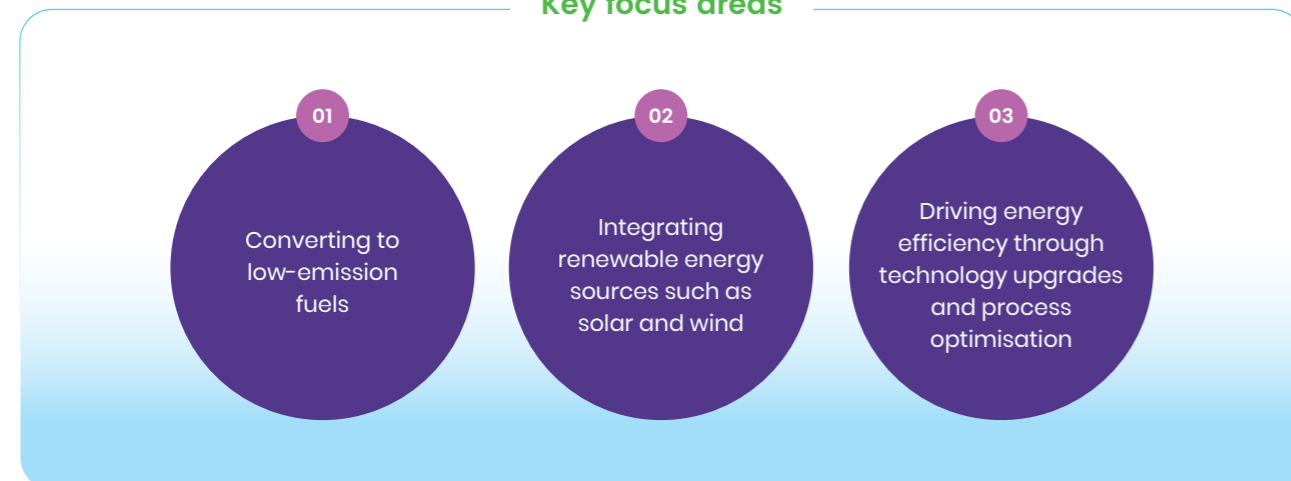
Goals by 2030

Purpose	Measures Undertaken	Progress Achieved against base year 2019-20 (as of FY 2024-25)	Status
To protect the environment by improving efficiency and reducing emissions	80% Renewable energy consumption by 2030	37% Renewable Energy	In Progress
	60% Reduction in energy intensity (in terms of production) by 2030	17.34% Reduction in energy intensity	In Progress
	54.6% Reduction in Scope 1 and 2 emissions by 2033	13.28 Reduction in Scope 1 and 2 emission	In Progress
	54.6% Reduction in Scope 3 emissions by 2033	-25.54 Reduction in Scope 3 emission	In Progress
	Carbon Neutral by 2045	Implementation of initiatives to achieve Carbon neutrality is in progress	In Progress

Our pathway to FY26 and Beyond



Key focus areas





BFL continues to remain at the forefront of integrating energy-efficient practices across its operational ecosystem. We are consistently exploring innovative and sustainable energy solutions, with a strong focus on integrating renewable energy into our processes. We are committed to embedding sustainable energy practices within our operational framework, driven by our enduring culture of environmental stewardship.

Key Highlights

5,30,790 GJ

Renewable energy consumption

37%

Renewable energy consumed (as % of total electricity consumption)

10.37 GJ/MT

Energy intensity

Energy Management System

We have adopted a structured and strategic approach to energy efficiency through the implementation of an Energy Management System (EnMS) certified under ISO 50001:2018. This initiative marks a significant step in advancing energy performance

across our operations. The system has enabled BFL to improve data accuracy, analyse energy consumption trends more effectively and identify Significant Energy Use (SEU) areas. Guided by these insights, the Company has implemented targeted energy-

saving measures. Regular Energy Audits are conducted at all certified locations, with the insights translated into systematic actions that reinforce BFL's commitment to continuous improvement and sustainable energy management.

Parameter	Unit	FY 2024-25	FY 2023-24
From Renewable sources			
Total electricity consumption (A)	GJ	5,30,790	5,52,233
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	NA	0	0
Total energy consumption from renewable sources (A+B+C)	GJ	5,30,790	5,52,233
From Non-Renewable sources			
Total electricity consumption (D)	GJ	8,97,428	8,47,582
Total fuel consumption (E)	GJ	12,68,902	13,17,478
Energy consumption through other sources (F)	NA	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	21,66,330	21,65,060
Total energy consumed (A+B+C+D+E+F)	GJ	26,97,120	27,17,293
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ/ ₹ millions	30.50	30.30
Energy intensity per rupee of turnover adjusted for Purchasing power parity (PPP)* (Total energy consumption/turnover in USD)	GJ/ million USD	630.08	625.95
Energy intensity in terms of Physical output	GJ/MT	10.37	9.98

*The intensity adjusted for PPP has been restated following the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from the IMF database. The restatement has led to a revision of the prior reported value of 693.21 for the year ended March 31, 2024.

Key Initiatives

During FY 2024-25, several key initiatives were undertaken to enhance our energy efficiency, reaffirming our commitment to long-term sustainability objectives.

Installation of High-Velocity Burners

To enhance thermal efficiency and minimise energy losses, conventional burners were replaced with self-recuperative burners equipped with integrated high-efficiency heat exchangers. These systems recover waste heat from exhaust gases to preheat combustion air, improving overall energy efficiency and eliminating the need for air pipe insulation. This upgrade enabled faster heat-up times, better process control and reduced maintenance complexity—resulting in annual energy savings of 510 MWh and emissions reduction of 370 tCO₂e.



Induction Billet Heater Installation in Forging Division

The previous heating setup with poor insulation and slower heating rates, was replaced with a high-efficiency induction heater, increasing the heating capacity from 5 tons/hr to 10 tons/hr. The new system ensures uniform heating and reduces thermal losses, leading to annual energy savings of 429 MWh and a reduction of 311 tCO₂e in GHG emissions.



Replacement of Open-Loop Cooling Towers with Closed-Loop Systems

To improve water and energy efficiency, open-loop cooling towers were replaced with closed-loop systems. Variable Frequency Drives (VFDs) were also installed to dynamically regulate pump speed. This initiative resulted in energy savings of 38 MWh and emissions reduction of 27 tCO₂e per year.



Introduction of Advanced Air Nozzles

In the machining division, conventional air nozzles were replaced with Venturi-based nozzles, reducing the system pressure from 6 bar to 2.5 bar without compromising performance. Additionally, the air ring distribution system was optimised, saving 46 MWh and reducing 33 tCO₂e in GHG emissions annually.



Upgradation of APFC Panels

Old Automatic Power Factor Correction (APFC) panels were replaced with modern, high-efficiency units to ensure better real-time correction of reactive power. This upgrade significantly improved the plant's power factor, bringing it close to unity, resulting in smoother electrical operations, enhanced equipment life and reduced penalties. The initiative delivered annual energy savings of 2,625 MWh and a reduction of 190 tCO₂e in emissions.



Air Leakage Detection and Control

A comprehensive audit of compressed air systems revealed multiple points of leakage, particularly at pipeline joints and PU tube ends. By installing mechanical levers on pipelines and air guns at critical points, leakage was significantly curtailed. This not only enhanced system reliability but also contributed to an annual energy saving of 747 MWh and a GHG reduction of 543 tCO₂e, demonstrating the effect of small mechanical interventions in yielding substantial environmental benefits.

Cooling Tower Idle Time Optimisation

To address energy waste during non-operational hours, an automatic control logic was integrated into the cooling tower fans. This system shuts down fan motors during idle periods, eliminating unnecessary energy use. The initiative delivered annual savings of 46 MWh and avoided 33 tCO₂e in emissions.



Replacement of Inefficient Motors

Several old motors, which had lost efficiency, were replaced with high-efficiency variants tailored to their actual load profiles. These upgrades not only lowered electricity consumption but also enhanced the reliability of critical systems. The initiative led to an annual saving of 373 MWh and a reduction of 271 tCO₂e in emissions.

Compressed Air Pressure Optimisation

To optimise compressor operations, an equaliser was installed to stabilise pressure fluctuations. This resulted in more efficient compressor sequencing and reduced idle run time, significantly lowering energy use. The upgrade saved 182 MWh annually and reduced GHG emissions by 132 tCO₂e.

Transition to LED Lighting

Mercury and sodium vapour lamps were replaced with LED lighting across the facility. In addition to enhanced luminance and improved visibility in workspaces, LEDs generate less heat, reducing the cooling load on HVAC systems. This transition resulted in annual energy savings of 401 MWh and GHG emissions reduction of 292 tCO₂e, aligning with both cost and climate objectives.



Replacement of Oversized Compressors

An oversized 600 CFM compressor, often running under capacity, was replaced with a 300 CFM unit better suited to actual demand. The right-sizing of the compressor enhanced operational efficiency, saving 156 MWh of energy and reducing emissions by 113 tCO₂e annually.



High-Efficiency Pumps in Chiller Operations

A mismatch between load and motor capacity in coolant pumps was rectified by replacing a 4.4 kW motor with a right-sized 1.1 kW unit, based on actual operational flow requirements. The improvement enhanced energy efficiency without compromising system performance. This intervention saved 37 MWh of energy and reduced emissions by 26 tCO₂e annually.

Energy-Efficient Pumps in Cooling Tower Operations

Oversized 67 kW pumps used in cooling tower operations were replaced with appropriately sized 37 kW pumps. This change ensured the equipment operated closer to its optimal efficiency point, without compromising cooling performance. The initiative resulted in annual energy savings of 259 MWh and emissions reduction of 188 tCO₂e.





Emissions

(GRI: 305-1,2,3,4,5)

We actively monitor and manage both direct emissions from operations and indirect emissions from electricity consumption. Our commitment reduce the environmental impact of our operations is reinforced by continued investment in renewable technologies and solutions.

GHG Emissions

We acknowledge the environmental impact associated with our energy-intensive manufacturing operations, which generate both direct and indirect greenhouse gas (GHG) emissions from fuel combustion and electricity consumption. As a major industrial player, we take responsibility for addressing our carbon footprint. We are actively pursuing a transition to a low-carbon, climate-resilient future by embracing cleaner technologies, enhancing energy efficiency, integrating renewable energy and continuously optimising our processes.

Key Highlights

78,486
Metric tonnes of CO₂ equivalent

Scope 1 emission

5,17,997
Metric tonnes of CO₂ equivalent

Scope 3 emission

1,81,232
Metric tonnes of CO₂ equivalent

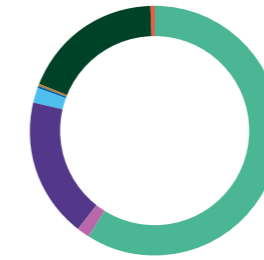
Scope 2 emission

1.00
tCO₂e/ MT

Total Scope 1 and Scope 2 emissions intensity

We proactively track and manage our GHG emissions across all scopes: direct emissions from our operations (Scope 1), indirect emissions from purchased electricity (Scope 2) and value chain-related emissions (Scope 3). Understanding our carbon footprint allows us to assess the impact of our energy consumption on the environment. GHG emissions at Bharat Forge are estimated and independently verified by DQS India.

Scope 3 Emissions Distribution - Categories (FY 2024-25)



Cat 1 - Purchase Goods and Raw Material, 3,05,031	58.89%
Cat 2 - Capital Goods, 9,690	1.87%
Cat 3 - Fuel and Energy Related Activities, 92,915	17.94%
Cat 4 - Upstream Transportation, 9,954	1.92%
Cat 5 - Waste, 687	0.13%
Cat 6 - Business Travel, 1,461	0.28%
Cat 7 - Employee Commute, 1,693	0.33%
Cat 9 - Downstream Transportation, 94,854	18.31%
Cat 12 - End of life treatment, 1,713	0.33%

GHG Emissions (tCO₂e) for FY 2024-25



Scope 1	10%
Scope 2	21%
Scope 3	67%

Targeting Tomorrow

SBTi-Approved Climate Goals

Bharat Forge's near-term GHG emissions reduction targets have been validated by the Science Based Targets initiative (SBTi), reinforcing our commitment to climate action.

1.5°C Aligned Commitment

The approved targets align with the most ambitious goal of the Paris Agreement — limiting global warming to 1.5°C.

Target Details

54.6%
reduction in absolute Scope 1 and 2 GHG emissions by FY 2032-33, from a FY 2019-20 baseline.

54.6%
reduction in absolute Scope 3 emissions by FY 2032-33, from the same baseline year.

We have also registered our Net Zero targets with SBTi and aim to complete their validation in the coming year.



Key Initiatives

Replaced Fuel-Fired Furnaces

We have replaced LPG/PNG-fired furnaces with electric induction variants, enabling the use of renewable electricity and achieving better heating control. The following benefits were realised because of this conversion.

- 01 Renewable energy compatibility
- 02 Reduced GHG emissions
- 03 Enhanced heat control (thyristor-based)
- 04 Lower energy cost per batch.

Replacement of Furnace Oil

We have successfully implemented fuel substitution in our furnaces, as cleaner fuels emit fewer GHG emissions than conventional oils.

854
KL

Oil saved

1,07,191

tCO₂e

Emissions avoided

Renewable Energy Utilisation

We are making significant strides towards sourcing electricity from solar and wind to decarbonise our energy mix and reduce our reliance on fossil fuels.

1,16,055
MWh

Solar energy used

31,388

MWh

Wind energy used



Air Emissions

We are dedicated to enhancing our operational efficiency while advancing on our objective of minimising air emissions across facilities. Through the adoption of industry-leading practices, we aim to substantially reduce pollutants, including sulphur oxides (SOx), nitrogen oxides (NOx), particulate matter and other emissions associated with the combustion of fossil fuels.

Environmental Impact Assessments (EIA) have been conducted for all sites and operations, ensuring compliance with environmental regulations and proactive management of ecological impacts.

Key Strategy

Our operational practices are aligned with global agreements, such as the Montreal Protocol, and fully comply with local regulations. This ensures that we maintain harmful pollutant emissions in the atmosphere to the lowest possible levels.

We have invested in high-end infrastructure to comply with the National Air Quality Standards (NAAQS 2009), placing us at the forefront of our goal of environmental stewardship.

Parameter	Unit	FY 2024-25	FY 2023-24
NOx	µg/Nm ³	15.66	16.35
SOx	µg/Nm ³	10.99	11.48
Particulate matter (PM) (Less than 2.5 Micron)	µg/Nm ³	23.25	22.08

Advancing Decarbonisation Through Cleaner Energy and Efficiency

BFL recognises decarbonisation as a cornerstone of its sustainability journey. Our strategy is built on three key pillars—transitioning to cleaner fuels, increasing the use of green energy and driving energy efficiency across operations.

Fuel-fired furnaces, which previously operated using high-emission fuels such as furnace oil, LDO and kerosene, have been converted to run on comparatively cleaner alternatives like PNG and LPG. The adoption of renewable energy, sourced through third-party power purchase agreements and from group companies, has significantly reduced Scope 2 emissions.

In addition, BFL follows a structured energy management approach aligned with ISO 50001:2018 to identify and implement energy-saving initiatives. These projects not only optimise energy use but also contribute meaningfully to the reduction of greenhouse gas emissions.

Adoption of Battery-Operated Pallet Trucks (BOPTs)

In line with our decarbonisation goals and commitment to workplace safety, we have replaced diesel-powered forklifts with Battery-Operated Pallet Trucks (BOPTs). This shift has eliminated the daily consumption of approximately 50 litres of diesel, directly reducing Scope 1 emissions. BOPTs offer superior maneuverability, reduced noise levels and a safer working environment—especially in high-traffic operational zones. This transition not only supports our climate action strategy but also aligns with global best practices for clean and efficient industrial transport solutions.





Water Management

(GRI:303-12,3,4,5)

We recognise the essential role of water in sustaining operations and supporting the well-being of the communities. BFL adopts sustainable water management practices, focusing on reducing water consumption, augmenting water efficiency and implementing forward-thinking conservation techniques. These efforts reflect our broader responsibility to preserve natural resources and protect the environment that we all depend on.

Key Highlights

41%

Recycled water

9,92,253 KL

Total water consumption

3.81

Water intensity

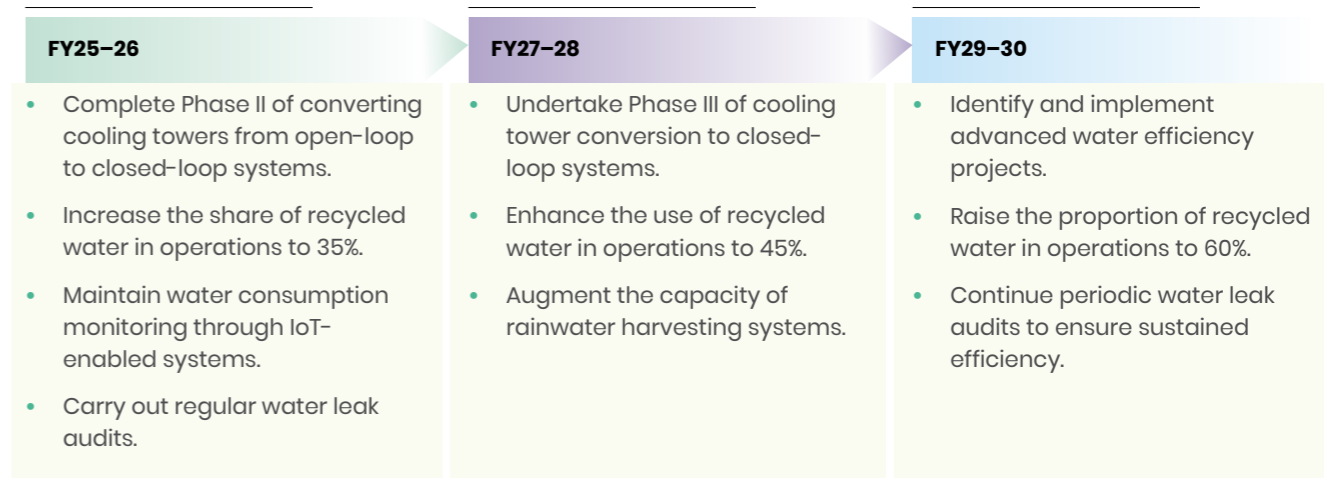
12.08 %

decrease of water consumption from FY 2024 to FY 2025

Goals by 2030

Purpose	Measures Undertaken	Progress Achieved against base year 2019-20	Status
To protect the environment by improving efficiency and reducing emissions	40% reduction in water intensity by 2030	31% reduction in water intensity	In Progress
	60% recycled water by 2030	41% base year is not applicable	In Progress
Water Positive by 2030		-	Will start working towards the goal in upcoming years

Our pathway to FY26 and Beyond



Strategy

Our water stewardship strategy is anchored firmly in the principles of recycling and responsible usage, supported by advanced technologies and modern infrastructure. We ensure that all water is treated in full compliance with environmental norms, without any discharge, treated or untreated, beyond our premises. This reinforces our long-term commitment, backed by continuous investment in cutting-edge systems that promote resource resilience.

Key Initiative

As part of our Industry 4.0 initiatives, we have deployed smart water meters integrated with a centralised Water Consumption Monitoring System. This system enables real-time tracking of daily water usage across operations, allowing us to promptly detect and address excessive consumption. In addition to digital tracking, we maintain a strong focus on sustainable water treatment

practices. Our Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP) continue to play a key role in ensuring that treated water is reused wherever feasible for gardening, flushing and other non-potable applications. Together, these measures reinforce our commitment to responsible resource management and efficient water stewardship.

Water Discharge

We have implemented a robust wastewater management system to effectively manage and treat industrial effluents generated through our operations, products and services. Our facilities are equipped with advanced treatment infrastructure, ensuring that all wastewater is processed responsibly and in full compliance with applicable environmental regulations.

Commitment to Zero Liquid Discharge (ZLD)

Bharat Forge operates as a Zero Liquid Discharge (ZLD) facility, ensuring that no untreated or treated water is discharged beyond its premises. ZLD is an advanced and resource-intensive method of water management, wherein all wastewater is fully recovered and contaminants are converted into solid waste. As wastewater becomes increasingly concentrated with salts, organics and scale-forming substances, the process demands the use of sophisticated, high-performance treatment technologies to effectively manage and recycle it.

Effluent Reuse and Freshwater Conservation

In line with its ZLD objectives, we have established ETPs and STPs to treat all wastewater produced across our operations. The treated water is entirely reused within the premises, substantially minimising our reliance on freshwater sources. Consequently, no wastewater or effluent has been released from any of our facilities during the current or preceding financial years.

Water Withdrawal

Water is one the planet's most precious natural resources and we recognise our responsibility to preserve it for future generations. In line with this belief, we have invested in innovative solutions and are building capabilities to minimise our water footprint.

Our water consumption levels are continuously tracked through smart monitoring and BI dashboards. These tools help us identify bottlenecks and develop more efficient strategies to manage our water usage.

Parameter	Unit	FY 2024-25	FY 2023-24
Water Withdrawal by the Source (in kilolitres)			
(i) Surface Water	kilolitres	5,04,628	6,39,830
(ii) Ground Water	kilolitres	2,00,368	1,95,098
(iii) Third Party Water	kilolitres	2,87,257	2,93,751
(iv) Sea Water/Desalinated Water	kilolitres	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	kilolitres	9,92,253	11,28,679

Water intensity

Year	Intensity (KL/Ton)	Percentage decrease
FY 2020-21	5.70	
FY 2021-22	4.81	15.61%
FY 2022-23	4.27	11.22%
FY 2023-24	4.15	2.81%
FY 2024-25	3.81	8.2%

Water Conservation Initiatives

01 Polymer Change in Coolant Mixture

To improve chemical efficiency and reduce maintenance frequency, the polymer used in the machine's storage tank was replaced with a more stable and effective alternative. This change significantly enhanced the chemical stability and performance, leading to reduced sludge formation and cleaner tank conditions. As a result, the tank cleaning frequency was extended from quarterly to annually. This shift has resulted in substantial water savings—approximately 200 KL annually—eliminating three additional cleanings per year. The initiative directly supports our environmental objectives and water conservation strategy.

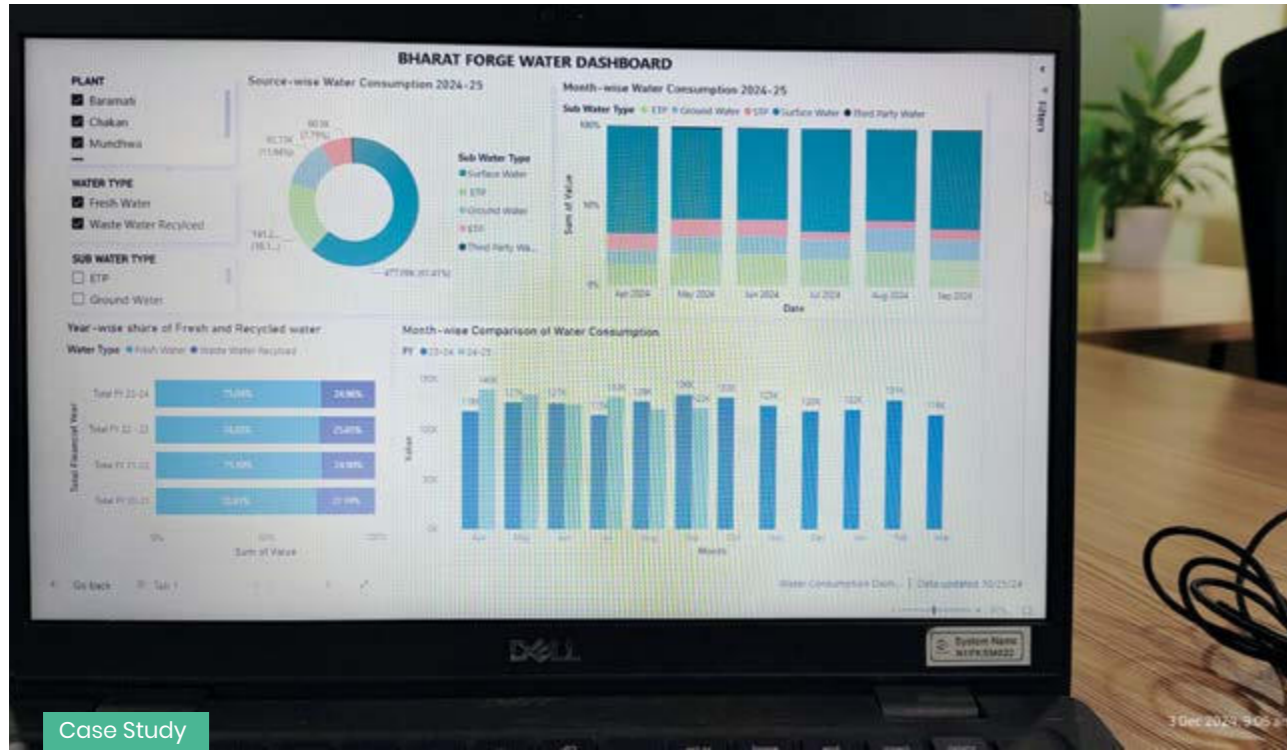
02 Installation of Mechanical Ballcocks on Raw and DM Water Lines

To ensure efficient water management and prevent tank overflow, mechanical ball cocks were installed on both raw water and DM Water Tanks. These devices function as an automatic shut-off system, halting water flow once the tank is full. Previously, unattended filling led to significant water wastage. The installation has completely eliminated such incidents, resulting in an estimated 1,000 KL of water saved annually. This low-cost, reliable intervention enhances system efficiency and reinforces our commitment to sustainable water use.

03 Timer Logic System for Raw Water Pump

A timer logic system was integrated into the raw water pump to automate control and prevent tank overflow due to delayed manual shut-off. This upgrade ensures that water is supplied only as required, completely eliminating overflow events. The initiative has delivered an annual water saving of approximately 450 KL, while also reducing energy consumption and wear on pumping equipment. This contributes to operational efficiency and advances our goals in sustainable resource management.





Case Study

Enhancing Water Efficiency in Cooling Tower Operations

As a part of our commitment to sustainable resource management, the Company undertook a targeted initiative to optimise water usage in its cooling tower systems, a key area of industrial water consumption.

Excessive freshwater consumption and undetected leakages in the cooling tower circuit were contributing to increased operational costs and inefficiencies in water usage. The challenge was to identify points of loss and implement a sustainable solution without disrupting core processes.

A two-pronged approach was adopted. First, a comprehensive inspection identified and successfully repaired leakages within the cooling tower system. Second, a water reuse mechanism was introduced, enabling the integration of treated used water back into the cooling tower cycle.

These interventions collectively reduced the facility's daily water consumption from 645 KL to 625 KL, resulting in a daily saving of approximately 20 KL of water.

The initiative not only conserved a vital natural resource but also delivered financial savings by lowering water-related operating expenses.

Impact

Strengthened the site's water stewardship practices

Reduced dependence on freshwater resources

Aligned with long-term environmental and cost-efficiency goals



Waste Management

(GRI:306-1,2,3,4,5)

Bharat Forge places great emphasis on effective waste management. We integrate the 3R principles of Reduce, Reuse and Recycle into our operational decisions. Guided by a comprehensive waste management framework, we actively encourage innovation to minimise waste generation and enhance diversion efforts. Ongoing initiatives focus on reducing both hazardous and non-hazardous waste across our manufacturing sites. Key measures implemented during the year encompass rerouting waste oil for recycling to lower hazardous waste volumes and recycling ETP sludge to minimise landfill disposal.

Key Highlights

99.18%
Waste generated was recycled

0.41
Waste intensity

1,07,049.8 MT
Waste generated

Total Waste Generated in Metric Tonnes

Parameter	FY 2024-25	FY 2023-24
Plastic waste (A)	177.84	191.43
E-waste (B)	5.54	1.74
Bio-medical waste (C)	0.0056	0.0085
Construction and demolition waste (D)	0	0
Battery waste (E)	4.91	0.23
Radioactive waste (F)	0	0

Waste Disposed by Nature of Disposal Method in Metric Tonnes

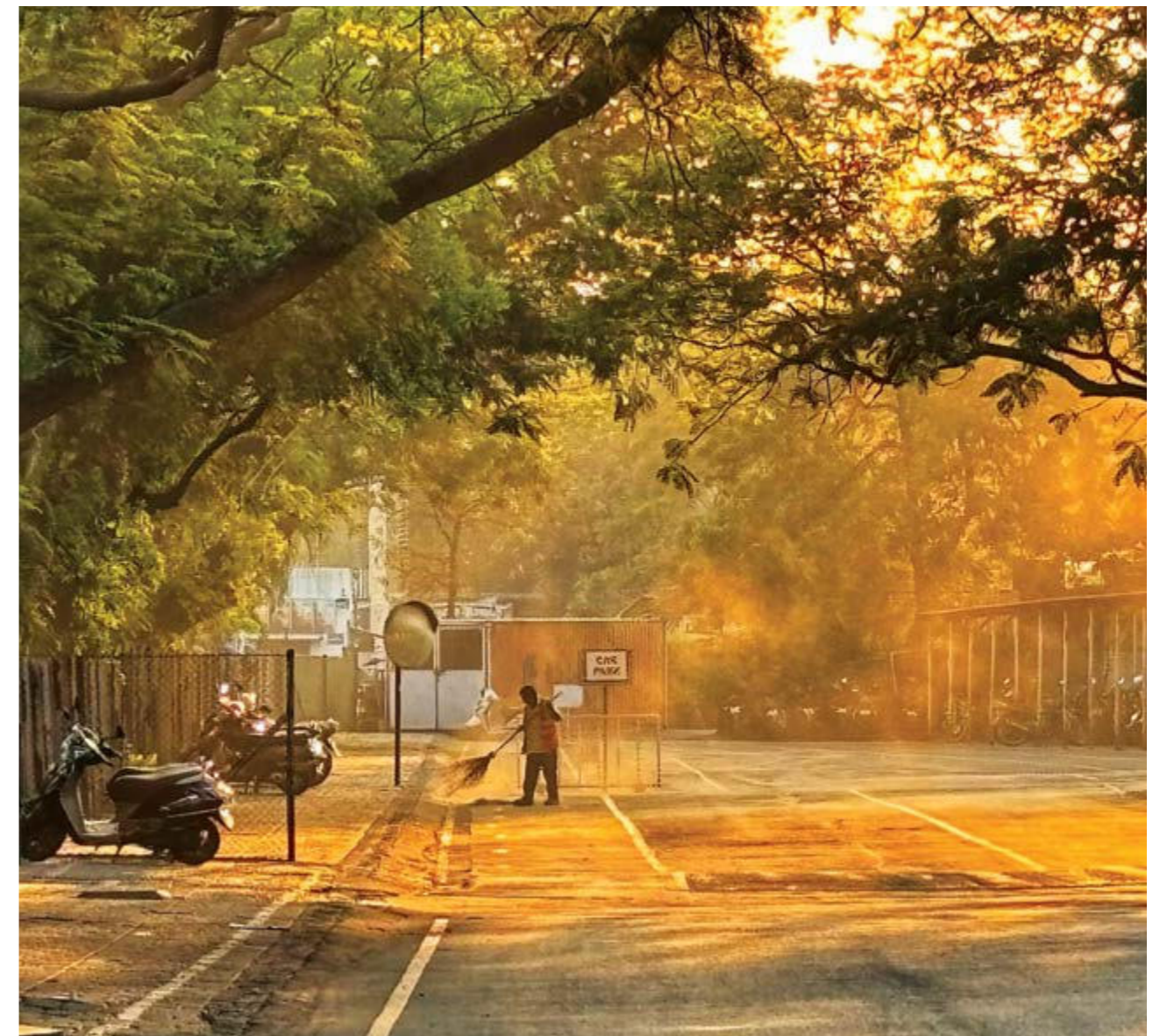
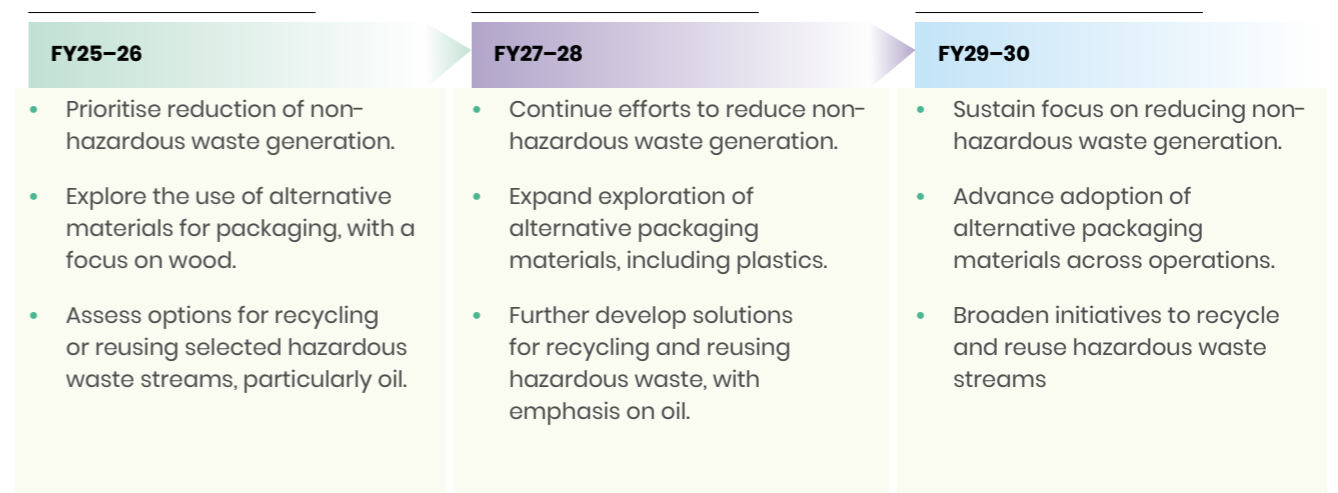
Category of Waste	FY 2024-25	FY 2023-24
Incineration	806.68	253.788
Landfilling	74.09	1.93
Total	880.770	255.718

Goals by 2030

Purpose	Measures Undertaken	Progress Achieved against base year 2019-20	Status
To protect the environment by improving efficiency and reducing emissions	Zero Waste to Landfill by 2030	0.07% for year 2024-25- base year is not applicable	In Progress
	50% Waste Intensity reduced by 2030	4.64%	In Progress



Our pathway to FY26 and Beyond



Hazardous Waste

Bharat Forge manages hazardous waste in full compliance with applicable regulations, maintaining a comprehensive waste registry to ensure complete traceability. All hazardous materials are transported exclusively through authorised agencies for safe and compliant handling. We adhere strictly to MPCB guidelines and relevant global standards governing the storage, labelling, transportation and recycling of hazardous materials across our operational sites. These practices are integral to minimising exposure risks.

Parameter	FY 2024-25	FY 2023-24
Cotton Waste (Qty. kg), Chemical Sludge from ETP, Paint Sludge/Residues, Spent Bath Sludge	383.78	253.78
Used/Spent Oil (Liquid)-HW	370.97	282.78
Discarded Containers/Barrels (Solid)-HW	183.90	185.43
Waste and Residues Containing Oil (Liquid)-HW	422.90	454.04
Asbestos Sheet	74.09	1.93



Reuse of Used Oil

Promoting circular resource use, we introduced a sustainable practice to repurpose and reuse the used oil. Previously treated as waste, the used oil is now filtered and reused—resulting in a saving of approximately 8

barrel per month. This innovation reduces the demand for fresh oil and minimises hazardous waste generation. The initiative contributes to both environmental conservation and cost savings, reflecting our ongoing pursuit of

resource-efficient, sustainable industrial practices.



Non-hazardous Waste

We prioritise minimising non-hazardous waste at its source by procuring only essential materials and optimising resource utilisation across our facilities. We have adopted practical, low-investment solutions that align with both our environmental and business objectives. Notable initiatives include using recycled cardboard as packaging filler, switching to biodegradable plastics and developing reusable pallets for vendor and customer deliveries to phase out the use of wooden pallets. In line with circular economy principles, metal scrap generated during manufacturing is systematically collected, segregated and either reused internally or sent to authorised recyclers for recovery and reintegration into the production cycle.

Additionally, office and breakroom waste, such as paper and plastics, is systematically recycled. We have optimised our waste disposal processes, including rerouting waste oil for recycling to lower hazardous waste volumes and recycling ETP sludge to reduce landfill dependency.

We actively promote circular economy practices by designing solutions that prioritise reuse, recycling and resource recovery. Through these initiatives, we aim to reduce dependence on virgin materials and create a more sustainable and circular value chain.



Other Non-hazardous Waste Generated in Metric Tonnes

Category of Waste	FY 2024-25	FY 2023-24
MS Scrap/Scale/Burr/Flash (Solid)	1,03,099.41	1,04,185.81
Aluminium Scrap	638.95	491.61
Titanium Scrap	36.37	6.03
Paper and Corrugated boxes	241.18	256.60
Rubber	54.29	53.06
Wood	1,123.50	892.30
Food Waste	232.16	221.735

Transition from Wooden to Metal Pallets

To minimise material waste and enhance operational durability, we replaced conventional wooden pallets with robust, reusable metal pallets. Wooden pallets, which lasted only 3-4 operational cycles, contributed significantly to annual wood waste and

frequent replacement costs. In contrast, the newly introduced metal pallets are engineered for long-term use, sustaining up to 40 operational cycles without compromising structural integrity. This transition has resulted in an estimated **annual reduction of 63,000 Kg of wood**

waste, significantly reducing landfill load and resource consumption. In addition to waste minimisation, the initiative has improved cost-efficiency and reinforced our commitment to circular logistics.



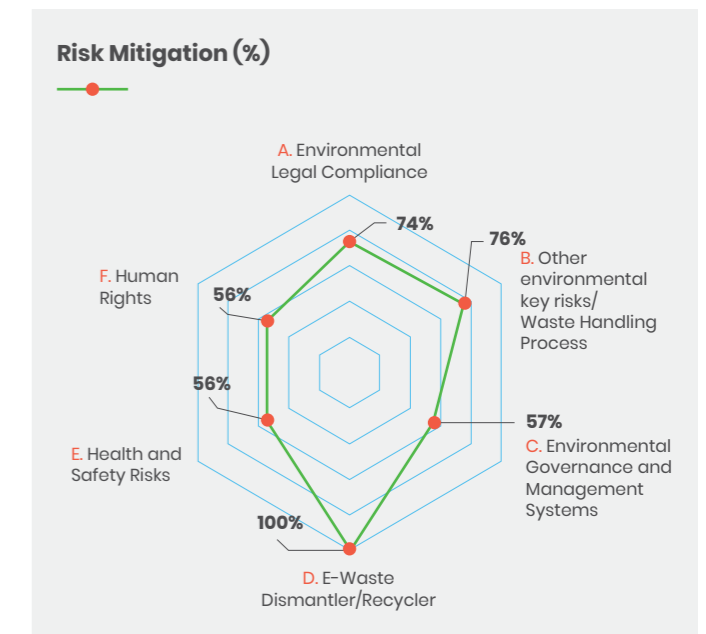
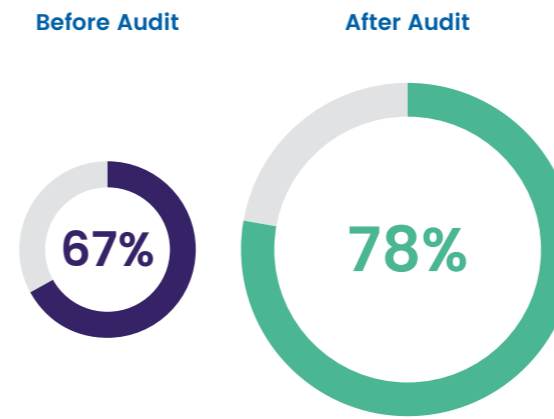
Waste Audit

Waste management remains one of our key focus areas and we are committed to the 3R principle of waste management.

To ensure effective and efficient waste handling, we conduct a waste handler audit, which provides us a detailed overview of each aspect of our waste management practices.

6

Waste handler audit completed in FY 2024-25



Waste Monitoring

To better comprehend our waste profile, sites are mapped for the waste generation and disposal methods. In addition, we have enhanced our data collection systems and incorporated waste volumes into our monthly environmental dashboard.

These activities have enabled us to identify the barriers preventing our facilities from diverting waste from landfills.

Zero Waste to Landfill

Our approach prioritises diverting waste from landfills and redirecting it towards recycling and recovery processes. When it comes to hazardous waste, we work exclusively with government-authorized and licensed facilities. Each is chosen through a stringent evaluation process to confirm compliance with all relevant handling standards. This ensures we meet regulatory obligations while upholding our commitment to environmental stewardship.

Year	Total Waste (MT)	Waste to Recycling (MT)
FY 2021-22	82,176	81,946 (99.72%)
FY 2022-23	1,09,858	1,09,692 (99.85%)
FY 2023-24	1,07,479	1,07,223 (99.76%)
FY 2024-25	1,07,050	1,06,169 (99.18%)

Circularity in Practice

This year, we have strengthened our circular economy initiatives by intensifying our focus on resource recovery, in-house reuse systems and smarter material usage. The overarching goal remains clear—lessen our reliance on virgin materials while tightening control over both the use-phase and end-of-life stages of our processes.

Material Recovery and Internal Recycling

During FY 2024-25, our operations generated 1,07,049.80 metric tonnes of total waste which include Hazardous, non-hazardous, food & bio-medical waste, a marginal decrease from the previous reporting period. Notably, over 96% of this waste was recoverable metallic scrap, which is integral to our long-standing closed-loop recycling system with Sarloha Advanced Materials.

Within this loop

- Scrap produced during forging and machining is converted back into billets
- These billets are then reintroduced into BFL's production processes
- Crucially, none of this material is sent to landfill

Despite increased operational throughput and shifts in our product mix, we successfully maintained overall waste generation in check. However, certain categories experienced notable growth—wood scrap rose by 26% and aluminium scrap by 30 % compared to FY 2023-24. These changes are currently being analysed as part of our ongoing efforts to optimise packaging methods and sourcing strategies.

Integrating Recycled Content

Recycled steel continues to form the backbone of our raw material strategy, now accounting for 30-40% of total input. This shift has yielded several key benefits:

- Reduced upstream emissions associated with mining and primary steel-making
- Quantifiable reductions in Scope 3 emissions from purchased goods are achieved by producing steel from recycled scrap, which requires less energy and results in significantly lower emissions.

Nurturing Biodiversity, Preserving Forests

(GRI:304-1)

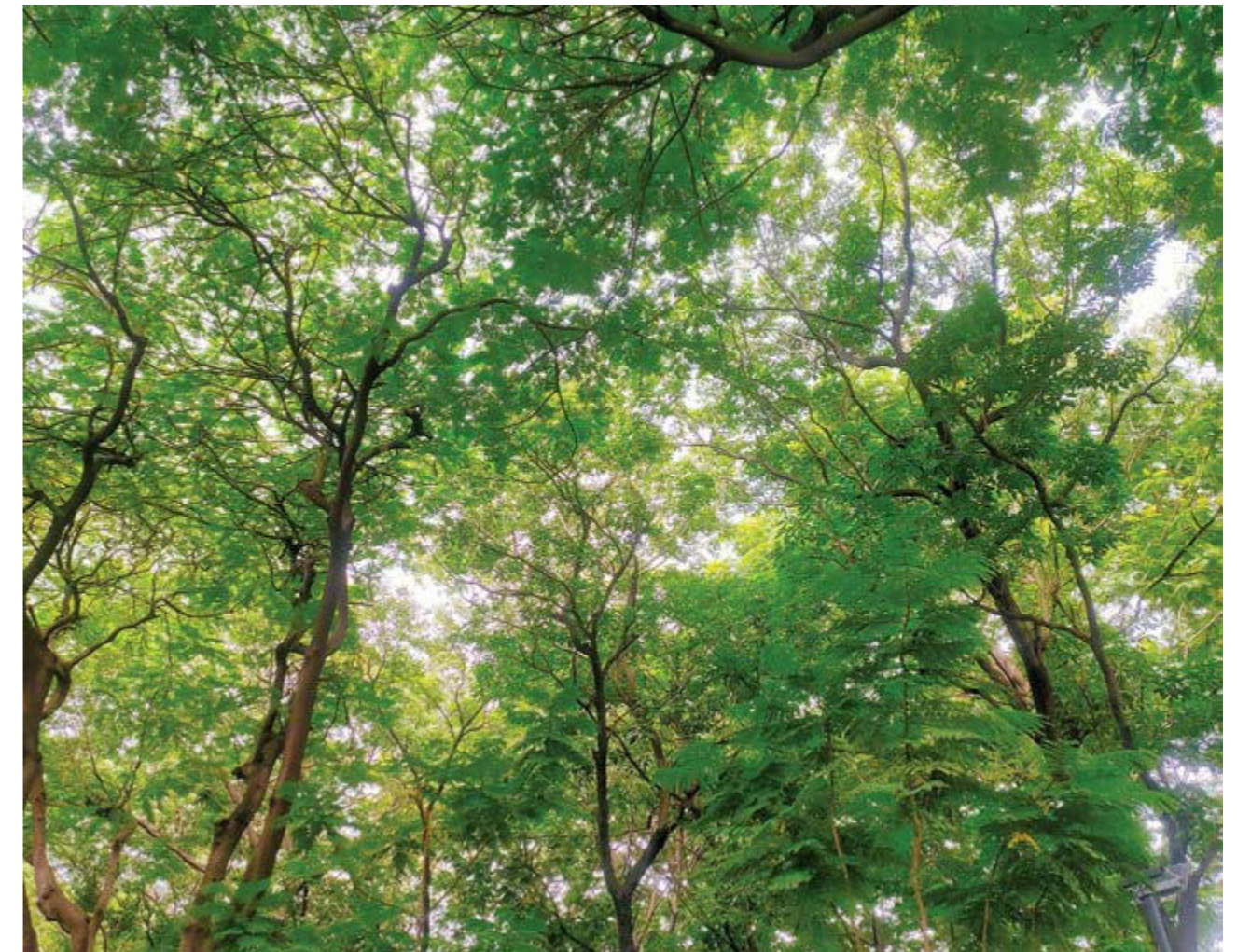
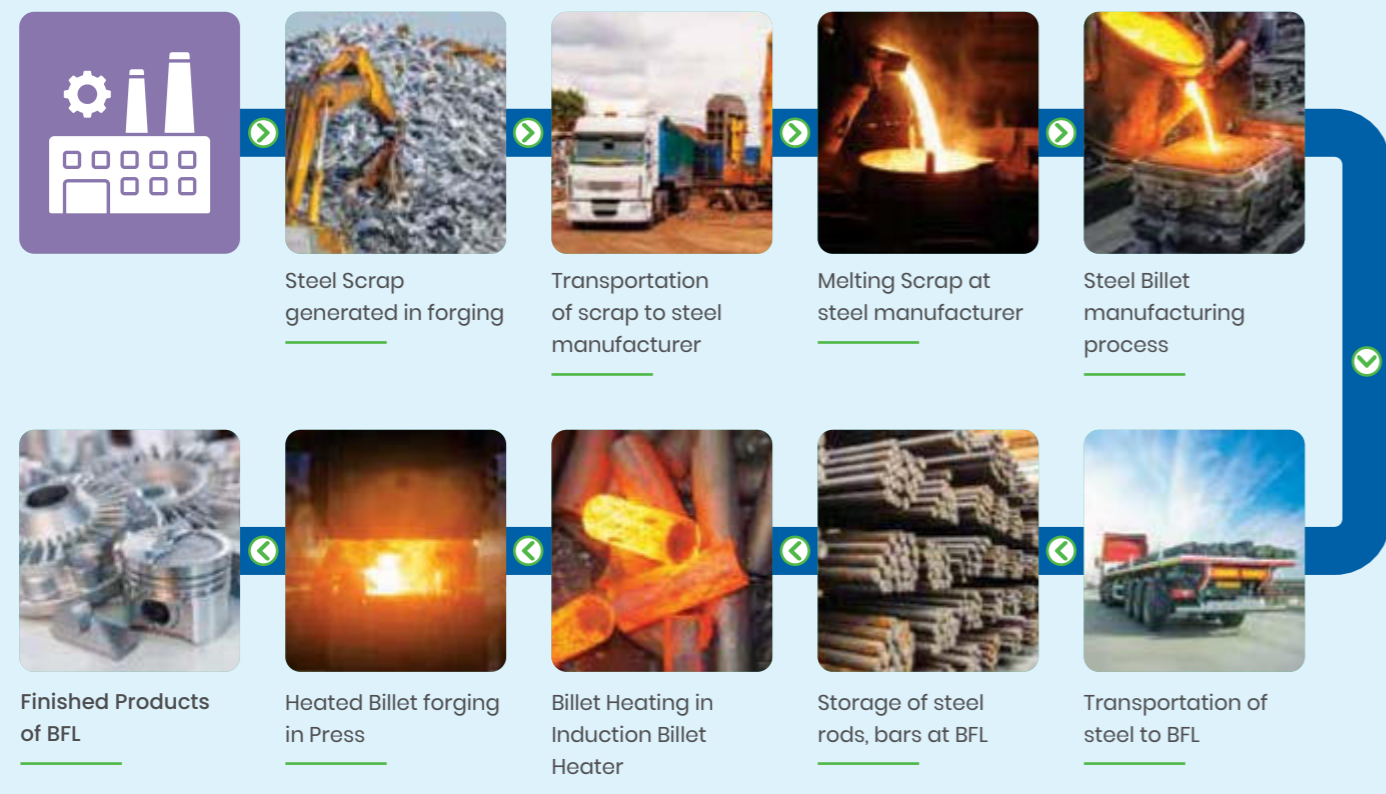
Our commitment to environmental stewardship extends beyond compliance; we actively promote biodiversity conservation and ecosystem protection across all our sites. We view the protection of natural capital as a vital component of our broader sustainability efforts, with our operations guided by principles of environmental sensitivity and responsible land use.

Across Bharat Forge premises, we maintain a green cover comprising approximately 60,000 trees, representing 92 diverse species. These include Babhul,

Bel, Fanas, Neem, Bamboo, Apta, Palas, Mango, Coconut, Tamarind, Arjun, Teak, Pomegranate, Guava and Raktchandan, among others. Through assumption-based calculations, it has been assessed that these trees collectively sequester 1,260 tonnes of CO₂ annually while purifying over 3.15 million tonnes of air. Additionally, a Visual Tree Assessment survey was carried out by Empirical Enviro Solutions in FY 2022-23. This flourishing green ecosystem provides favourable conditions that attract various bird species such as parrots, pigeons,

sparrows, mynas, cuckoos, crows and bulbuls—further reinforcing our commitment to biodiversity.

Importantly, none of our operations are located in biodiversity-sensitive areas. We are steadfast in our resolve to eliminate deforestation across our operations and undertake reforestation initiatives wherever necessary. We also expect our value chain partners, including suppliers, to align with our vision and uphold similar principles of biodiversity protection and responsible land management.



Community engagement

Building Communities that Thrive

GRI 413-1

Guided by our core philosophy of 'Human Engineering' and our long-standing legacy, Bharat Forge adopts a holistic approach to CSR, with a focus on community empowerment. We firmly believe that a thriving community ecosystem is essential to the strength and sustainability of our business. By attuning our CSR efforts with local requirements, national goals and sustainability principles, we aim to leave a meaningful and lasting impact where it is needed the most.



CSR Strategy and Planning

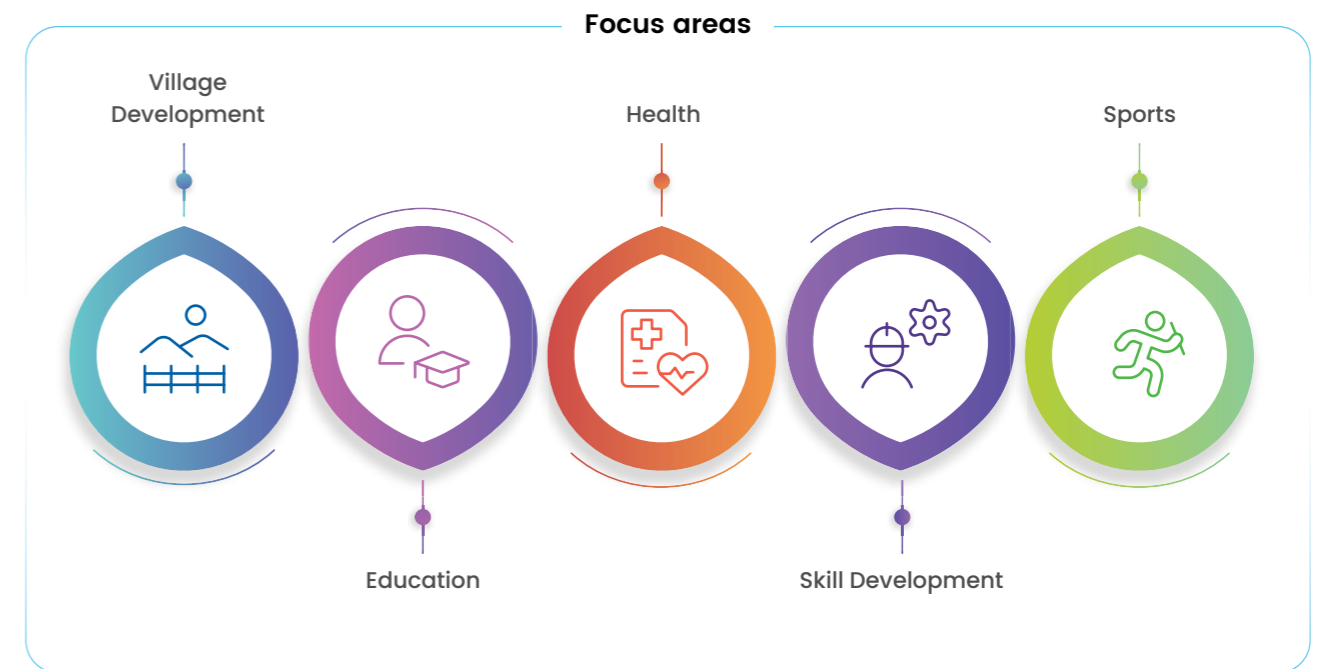
Our CSR strategy is anchored in a comprehensive and participative approach that aligns our business values with community development needs. The focus areas of our CSR initiatives are determined through careful deliberation at the Board and CSR Committee levels, ensuring they remain in harmony with both national objectives and local realities.

Each year, the CSR Committee evaluates and prioritises key focus areas based on community needs, impact potential and the evolving socio-economic context. These areas align with our long-term vision and are reviewed annually to ensure relevance and effectiveness.



At Bharat Forge, CSR is integral to our purpose of creating inclusive and sustainable growth. Our initiatives focus on empowering communities through education, healthcare, environment and skill development. We remain committed to driving long-term impact and building resilient communities across our areas of operation.

- CSR head



Each CSR proposal undergoes a thorough review process before being presented to the Board. It is first vetted and approved by the CSR Committee to ensure alignment of the proposals with Bharat Forge's policy framework and regulatory requirements under the Companies Act, 2013.

The planning process is driven by comprehensive need assessments, field visits and focused group discussions conducted at the grassroots level. These activities gather vital insights that help identify key stakeholder groups and determine the specific areas for intervention.

After this, the programme design and corresponding budget are developed and finalised, ensuring they are in line with available resources and implementation capabilities.



To read more details on CSR https://www.bharatforge.com/assets/pdf/sustainability/downloads/BFL_CSR_2024-25.pdf



Village Development

Village development is critical for fostering inclusive growth and enhancing the well-being of rural communities. By integrating sustainability principles into infrastructure, governance and community engagement, villages can evolve into self-sustaining ecosystems. Initiatives such as modern sanitation systems and improved road networks not only elevate the quality of life but also align with national priorities for economic and environmental progress.

3,03,739

People impacted from more than 120 villages from 2015-2025

Water Harvesting Projects

We place great emphasis on water harvesting to help communities. Our efforts focus on restoring water bodies and increasing storage capacity, with the goal of supporting local farming and meeting the everyday water needs of villagers.



501+ TCM

Water harvested across 13+ villages

7,150 acres

Land benefited across 4 districts

Infrastructure Development

We remain resolute in our commitment to strengthening rural infrastructure. Our efforts focus on enhancing connectivity, sanitation and agricultural security. By addressing these critical needs, we aim to uplift the quality of life in communities that have often been overlooked, fostering sustainable growth and resilience.



14 km

Internal roads constructed across various villages

58,790+ meters

Underground gutters laid

660 farmers

Crops safeguarded through fencing projects

Waste Management

Effective urban waste management is essential for environmental sustainability, as it paves the way for a greener future. By converting organic waste into nutrient-rich compost, communities can minimise dependency on landfills while fostering eco-friendly lifestyles. Collaborative initiatives that empower households to manage waste at its source play a vital role in transforming urban spaces into sustainable environments.



1,680

Families benefited in Hadapsar area

Swachh Sundar Majha Gao Competition

The competition was organised across 21 villages, encouraging community participation in sanitation, beautification and sustainable practices. The winning villages were recognised for their exemplary efforts.



Women Empowerment

We believe that empowering women is integral to strengthening families and driving long-term development of the society. Our women-centric programmes are designed to provide the resources and support necessary for women to enhance their skills and creativity.

By creating safe and inclusive spaces for participation and growth, we strive to open new opportunities for women to thrive.

900 women

Impacted from all community centres located at Hadapsar, Wadgaon sheri and Keshav Nagar

190 women

Participated in cultural competitions and eco-friendly workshops

33 women

Trained in entrepreneurship and small business management

450+ participants

Annual events like Haldi Kumkum and Women's Day





Education

Our efforts are focused on expanding access to learning, encouraging innovation and ensuring academic continuity, particularly for children and youth from underserved communities. During the year, we collaborated with various organisations to implement education projects tailored to community needs.

Our initiatives included hands-on sessions such as craft, clay work, creative activities and drawing, fostering creativity and practical skills among students. We also provided subject-specific learning support in maths, Marathi and English, along with summer camps and physical activity sessions to promote holistic development.

Cultural enrichment played a key role, with festivals, parent meetings and recognition programmes that helped to strengthen community connection and motivate students.

Programmes such as Pratham's community-based literacy model supported children's re-integration into formal education, while the Pradnya Vikas initiative, in collaboration with Jnana Prabodhini, focused on holistic learning and personal growth. Partnerships with organisations such as Vidyarthi Sahayak Samiti further supported higher education for girls pursuing technical courses, enabling them to continue their academic journeys.

7,400+

Children's benefited

65

Girl student pursuing Higher Education



Health

Augmenting access to healthcare remains one of our core priorities. We focus on preventive care and early diagnosis by establishing telemedicine centres and organising cancer screening camps in collaboration with healthcare partners. Through these initiatives, we ensure that essential medical services are available in remote villages and underserved regions. Moreover, they facilitate prompt consultations and help raise awareness among local communities.

8

Telemedicine centres have been established across villages

6,046
villagers

benefitted from cancer screening camps from period 2015-2025

153
community
members

were screened through camps in partnership with NGOs such as Samavedana





Skill Development

Equipping the youth with industry-relevant skills is at the heart of our CSR vision. Through partnerships with technical institutes and the establishment of Centres of Excellence, we help rural youth build strong foundations in emerging and cutting-edge technologies and improve their employability.



Industrial Training Institutes (ITIs)

In collaboration with ITIs in Khed, Bhor, Malegaon and Karjat, along with institutions such as Vidya Pratishthan, Baramati, we provide hands-on learning in advanced technologies, such as AI, ML, IoT and robotics.

1,429

Students pursuing diploma

Centre of Excellence (CoE)

The Baramati Centre of Excellence offers advanced training in emerging areas including connected vehicles, electric vehicles and data analytics. The other Centre of Excellence, with its Tool Room and Training Centre, focuses on CNC simulation, drone technology and robotics.

550+

students pursuing Engineering at Vidya Pratishthan, Baramati

Digital CNC Simulation Labs

Virtual CNC simulation labs have been set up in several ITIs and at AAEA Ahmednagar to provide practical, immersive training in precision manufacturing technologies.

316+

Student trained

Centre of Excellence in the North East

We have set up a Centre of Excellence (CoE) at the Nagaland Tool Room and Training Centre (NTTC), Dimapur. This initiative is aimed at enhancing skill development and empowering young talent across the North East region.

The centre is equipped with cutting-edge technologies such as robotics, drone technology, 3D printing and CNC simulation, among others, providing students with practical exposure to industry-relevant skills.

The state-of-the-art facility was inaugurated in the presence of the Hon. Chief Minister of Nagaland, Shri Neiphiu Rio.



Sports

We believe sports play a vital role in shaping discipline, resilience and leadership qualities that extend beyond the playing field into every walk of life. Recognising its power to inspire and transform, we have made sports an integral part of our commitment to community development and youth empowerment.

Through Lakshya, our flagship initiative, we are dedicated to identifying and nurturing promising sporting talent in India. By providing critical support in areas such as training, kit and equipment, sports science, nutrition, travel and

logistical assistance, we create the foundation athletes need to grow in confidence and compete at the highest levels.

Our supported athletes such as tennis players Sahaja Yamalapalli and Akanksha Nitture and chess grandmaster Vidit Gujrathi are shining examples of this vision. With access to high-performance training, structured programmes, tournament assistance and mental as well as physical conditioning, they are building careers that bring pride to the nation.

16+

National and international medals won by athletes supported by Bharat Forge



Collaboration with Government and Institutions

Our work is carried out in close partnership with Gram Panchayats, government departments and educational institutions. While the Gram Panchayats oversees government-funded activities, we extend our support through funding and technical support.

Additionally, we collaborate with institutes such as VJTI and EdCIL for internships, employee hiring and programme development. These collaborations ensure the expertise and scale required to drive impactful initiatives.

Grievance Redressal Mechanism

We ensure that community grievances are addressed promptly and effectively through a proactive CSR team that maintains sustained engagement with local stakeholders. The majority of issues are resolved at the grassroots level through direct interactions, nurturing transparency and building long-term trust with the communities we serve. This responsive approach prevents escalation of major grievances.

As part of our community engagement framework, we conduct regular need assessments, field visits and focused group discussions to identify stakeholder groups and prioritise locations for CSR interventions.

For more information on Bharat Forge's community development initiatives, please visit:

<https://www.bharatforge.com/sustainability/corporate-social-responsibility>

Employee Volunteerism

Our workforce actively participates in a variety of community initiatives, such as teaching sessions in schools, tobacco awareness programmes, yoga for children, CPR training and cleanliness drives under the 'Swachhata Hi Seva' campaign. Our technical experts support local institutions by offering 5S training and continuous mentorship at ITIs and Centres of Excellence. Additionally, they serve as judges in school competitions and leading eco-friendly Ganpati workshops.

Such contributions from our workforce have been instrumental in further reinforcing our ties with communities. These volunteer activities serve the dual purpose of amplifying our impact and cultivating a sense of responsibility within our workforce.

3,000

Volunteers contributed across various community initiatives



Supply Chain Management

Sourcing with Purpose

GRI 414-1,2 - 308-1,2

Bharat Forge has embedded sustainability and ethical governance at the core of its supply chain management. Through robust policies such as the Sustainable Procurement Policy, Conflict Mineral Policy and a comprehensive Supplier Code of Conduct, BFL ensures transparency, environmental stewardship and respect for human rights throughout its value chain.

Regular supplier assessments, renewable energy targets and product carbon footprint (PCF) initiatives further reinforce our commitment to responsible sourcing and continuous improvement. By engaging closely with business partners and aligning them with our ESG goals, we are building a resilient, future-ready supply chain.

SDG's Coverage



Supplier Screening

We follow a structured and rigorous approach to assessing our suppliers, ensuring that every partnership aligns with our sustainability commitments and risk management priorities. Before onboarding any supplier, we conduct detailed due diligence and a comprehensive risk evaluation on various ESG parameters. This assessment is closely linked to our materiality analysis and takes into account country-specific, sector-specific and commodity-related risks. We evaluate suppliers against well-defined environmental and social criteria, requiring them to meet our minimum qualification standards. To further strengthen this process, we have established a Supplier Sustainability Index in the reporting year to help monitor performance and drive continuous improvement across our supply chain.



“Our supply chain is an extension of our sustainability ethos. Through structured assessments and collaborative engagement, we are fostering a network of responsible and future-ready partners.”

- Head SCM

Key Screening Criteria considered as part of the supplier sustainability index (SSI)



Business ethics and compliance

Integrity, anti-corruption, compliance with laws.



Cybersecurity

Responsible handling of data, assets, and intellectual property.



Political Activities

No involvement in political campaigning on behalf of BFL.



Bribery

Zero tolerance for practices that undermine fair business.



Third-party representation

Restrictions on using BFL or representatives without permission.



Conflict of Interest

Avoidance of relationships that could influence decisions or reputation.



Data Protection

Adherence to privacy regulations, including GDPR where applicable.



Communication and Enforcement

Supplier Code of Conduct compliance, corrective measures within 30 days if breaches occur.



Social responsibility

Contribution to positive social outcomes, stakeholder relationships.



Working Conditions

Safe, secure work environments that comply with BFL standards.



Legal Compliance

Full compliance with laws and product/service origin requirements.



Sustainability

Alignment with ethical, environmental, and stakeholder expectations.

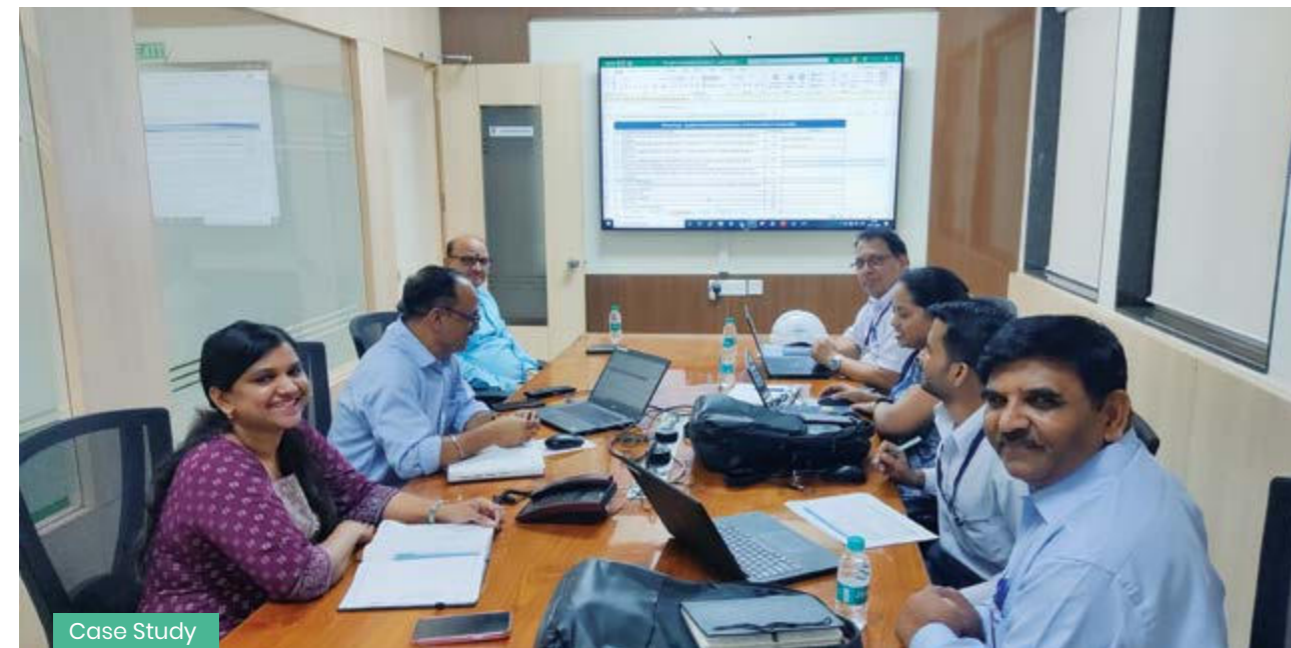


Antitrust Compliance

Notification of any investigations into competitive practices.

Progress on Supplier and Freight Sustainability Initiatives

Purpose	Measures Undertaken	Progress Achieved (FY 2025)
Engaging with business partners and empowering them to shape the future	Sustainability Index >75% by all Critical suppliers by 2030	23 out of 31 critical suppliers are above 75% Sustainability Index
	50% RE use by Top suppliers by 2030	16.65% RE used by critical suppliers
	PCF for mainstream products by 2030	PCF mapping initiated for key products; pilot phase completed



Case Study

Supplier Sustainability Assessment

Bharat Forge conducted a structured sustainability assessment covering 31 key suppliers across 9 ESG dimensions, including environment, energy, ethics, health and safety and human rights.

This assessment ensures alignment with Bharat Forge's ESG goals, identify gaps, promote responsible sourcing and drive continuous improvement across the supply chain.

Outcome

Strong compliance observed in legal, wage and safety standards

77% suppliers covering of business volume

10 suppliers scored above 90% on the Supplier Sustainability Index

Key improvement areas identified: ISO 50001 adoption, Scope 3 emission tracking and sustainability reporting

Sustainable Supply Chain

For long-term business resilience, a steady and uninterrupted supply of raw materials, semi-finished goods, lubricants and packaging materials is essential. At BFL, we recognise suppliers and vendors as critical enablers of our supply chain. We are firmly committed to aligning our sourcing practices with our broader sustainability objective of responsible procurement.

Supplier Code of Conduct

BFL is resolute in its pursuit of ethical and responsible business practices, with full adherence to applicable laws and regulations. Human rights are a cornerstone of our values and we are committed to creating a respectful, dignified and safe working environment for all employees and vendors.

Environmental stewardship remains integral to our operations, underpinned by a focus on sustainable procurement and continuous improvement. Our Ethics and Compliance Policy reinforces transparency and integrity. All suppliers—domestic and international—are expected to refrain from unethical activities, including bribery, fraud and corruption and cannot speak or act on behalf of BFL without prior written approval. Any actions undertaken by their representatives, including governmental agents, are considered the responsibility of the suppliers themselves.

Our Supplier Code of Conduct (SCoC) applies to all key suppliers and is reviewed periodically to reflect changing regulations, customer expectations, industry practices and audit outcomes.

Sustainable Procurement Policy and Conflict Mineral Policy

To uphold human rights and avoid fuelling conflict, BFL enforces a strict Conflict Mineral Policy. This prohibits the procurement and use of tin, tungsten, tantalum and gold (3TG) sourced from conflict-affected regions, particularly where such minerals fund armed conflict or contribute to human rights abuses.

Local Procurement for Sustainable Growth

We support regional economic development through sustainable procurement. In FY 2024-25, we strengthened our supplier network across India, sourcing materials from businesses that align with our operational requirements. Our procurement practices also extend to community-based initiatives, such as sourcing workforce uniforms through self-help groups. These partnerships contribute to inclusive economic participation at the grassroots level.

86.40%

Indian suppliers share of total raw material inputs

5.82%

Procurement from Micro, Small and Medium Enterprises (MSMEs)

Impact of Local Procurement

Local partnerships help us improve supply responsiveness and reduce dependency on extended logistics networks. This approach also reduces environmental impact through shorter transport distances and promotes responsible sourcing aligned with our operational goals.

Decarbonisation Survey for Raw Material Suppliers

Given that raw materials significantly contribute to Scope 3 emissions, BFL initiated a decarbonisation survey among its raw material suppliers. A concise questionnaire was circulated to collect information on energy usage and green energy adoption. Nine suppliers responded, offering critical insights into their energy consumption patterns and decarbonisation progress. The results enable us to estimate emissions linked to procured materials and guide future reduction strategies for Scope 3 emissions.

Human Rights Due Diligence in the Supply Chain

To align with the German Supply Chain Act, BFL conducted human rights due diligence on its critical suppliers during the reporting year. This included evaluating risk management systems aimed at preventing or mitigating human rights violations. The assessment covered

- Human Rights Policies and Training
- Prohibition of Child and Forced Labour
- Compliance with Minimum Wage Regulations
- Confidentiality of Personal Data
- Working Hours and Overtime Protocols
- Access to Basic Facilities such as Canteens, Medical Centres, PPEs and First Aid Kits

Supplier Sustainability Assessments

BFL carried out detailed sustainability assessments of its critical suppliers those contributing to 75% of procurement expenditure. By the end of FY 2024-25, 77.35% of our value chain partners (by business volume) completed the assessment. The process evaluated several key ESG factors.

The findings indicated that suppliers performed well in environment, health and safety, legal compliance and human rights. However, areas such as energy and emissions management, as well as business ethics, were identified for improvement.

Deployment of Supplier Sustainability Index

Incorporating ESG criteria into supplier sustainability performance assessment is key to mitigating risks in the supply chain. BFL introduced the Supplier Sustainability Index (SSI), integrated with the supplier sustainability assessment. Based on the evaluation

10 suppliers

scored above **90%**

13 suppliers

scored between **75-90%**

8 suppliers

scored below **75%**

Suppliers scoring above 75% will be prioritised for new business allocations, while BFL will work closely with those below 75% to raise their performance in the coming year.

Training Supply Chain Partners

Recognising the importance of ESG knowledge among its partners, covering 77.35% of its procurement value on Supplier Code of Conduct, POSH and Human Rights.

In the coming year, we aim to train suppliers representing 76-80% of business volume on topics such as:

- ESG Fundamentals
- Supplier Code of Conduct
- POSH (Prevention of Sexual Harassment and Human Rights)
- Carbon Border Adjustment Mechanism (CBAM) Implementation
- ISO 50001:2018 Procurement Requirements

We have also built ESG expertise within the procurement team to strengthen our internal capabilities.

ESG Requirements of Customers

BFL actively engages with customers to meet their evolving ESG expectations, which have become a key driver of our sustainability journey. In the current financial year, we addressed approximately 120 customer requests covering various ESG aspects. These included acknowledgement of SCoC, assessments, audits, GHG surveys, PCF disclosures, CBAM compliance and EHS requirements.

Renowned customers such as Ashok Leyland, ZF, Larsen & Toubro, Daimler and Volkswagen have recognised BFL with ESG and sustainability awards, reaffirming our commitment to responsible business practices.

GRI content index

Statement of use	BFL has reported the information cited in this GRI content index for the period 1 st April, 2024 to 31 st March, 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Disclosure Location	Page Reference	Alignment with BRSR
GRI 2: General Disclosures 2021	2-1 Organisational details	About Us	12-17	
	2-2 Entities included in the organisation's sustainability reporting		AR 122	Section - A (A-13)
	2-3 Reporting period, frequency and contact point	About the Report	8	
	2-5 External assurance	About the Report	8	
	2-6 Activities, value chain and other business relationships	About Us	12-13	
	2-7 Employees	People	62-85	
	2-8 Workers who are not employees	People	62-85	
	2-9 Governance structure and composition	Leadership Accountability	45-48	
	2-10 Nomination and selection of the highest governance body	Leadership Accountability	45-47	
	2-11 Chair of the highest governance body	Leadership Accountability	45-47	
	2-12 Role of the highest governance body in overseeing the management of impacts	Leadership Accountability	45-47	
	2-13 Delegation of responsibility for managing impacts	Leadership Accountability	45-47	
	2-14 Role of the highest governance body in sustainability reporting	Leadership Accountability	45-47	
	2-15 Conflicts of interest		AR 137	Principle-1 (LI-2)
	2-17 Collective knowledge of the highest governance body	Leadership Accountability	45-47	
	2-18 Evaluation of the performance of the highest governance body	Leadership Accountability	45-47	
	2-19 Remuneration policies	Leadership Accountability	48	
	2-20 Process to determine remuneration	Leadership Accountability	48	
	2-21 Annual total compensation ratio		AR 148	Principle-5 (EI-3)
	2-22 Statement on sustainable development strategy		AR 131	Section-B (B-7)
	2-23 Policy commitments	Ethics and Integrity	56-57	
	2-24 Embedding policy commitments	Ethics and Integrity	56-57	

GRI Standard	Disclosure	Disclosure Location	Page Reference	Alignment with BRSR
	2-25 Processes to remediate negative impacts		AR 149-151	Principle - 5 (EI-5,8, LI-1), Risk exposure and Assessment
	2-27 Compliance with laws and regulations	Ethics and Integrity	56	
	2-28 Membership associations	Collaborative Engagement	50	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	24-25	
	2-30 Collective bargaining agreements		AR 140	Principle 3 (EI-6)
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Assessment	26-27
	3-2 List of material topics	Material Assessment	28-29	
	3-3 Management of material topics	Material Assessment	26-29	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Value Generated and Distributed	40-41	
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risk Assessment	34-39	Materiality assessment, BRSR Section A (A-26)
	201-3 Defined benefit plan obligations and other retirement plans	Board Effectiveness and Engagement	49	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage		73	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	ESG Snapshot, Community engagement	17, 114-122	
	203-2 Significant indirect economic impacts	ESG Snapshot, Community engagement	17, 114-122	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management	127	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethics and Integrity	57	
	205-2 Communication and training about anti-corruption policies and procedures		AR 147	Principle 5 (EI 1)
	205-3 Confirmed incidents of corruption and actions taken	Ethics and Integrity	57	
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Supplier Screening	125	

GRI Standard	Disclosure	Disclosure Location	Page Reference	Alignment with BRSR
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainability Roadmap	31	
	301-2 Recycled input materials used		AR 138	Principle 2 (LI 3)
	301-3 Reclaimed products and their packaging materials		AR 145	Principle 3 (LI 5)
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy Management System	91	
	302-3 Energy intensity	Energy Management System	91	
	302-4 Reduction of energy consumption	Key Initiatives	92-95	
	302-5 Reductions in energy requirements of products and services	Key Initiatives	92-95	
303-1 Interactions with water as a shared resource	303-1 Interactions with water as a shared resource	Water Management	100-104	
	303-2 Management of water discharge-related impacts	Water Management	100-104	
	303-3 Water withdrawal	Water Management	102	
	303-4 Water discharge	Water Management	103	
	303-5 Water consumption	Water Management	100	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Nurturing Biodiversity	113	
	304-2 Significant impacts of activities, products and services on biodiversity		AR 158	Principle 6 (LI 4)
	304-3 Habitats protected or restored		AR 158	Principle 6 (LI 4)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions	96	
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions	96	
	305-3 Other indirect (Scope 3) GHG emissions	Emissions	96	
	305-4 GHG emissions intensity	Emissions	96	
	305-5 Reduction of GHG emissions	Emissions	97	
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Air Emissions	95	

GRI Standard	Disclosure	Disclosure Location	Page Reference	Alignment with BRSR
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	105-111	
	306-2 Management of significant waste-related impacts	Waste Management	105-111	
	306-3 Waste generated	Waste Management	105-106	
	306-4 Waste diverted from disposal	Waste Management	111	
	306-5 Waste directed to disposal	Waste Management	106	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Screening	124-125	
	308-2 Negative environmental impacts in the supply chain and actions taken		AR 159	Principle 6 (LI 8,9)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Shaping the Workforce of Tomorrow	78	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employees benefits	80-81	
	401-3 Parental leave		AR 140	Principle 3 (EI 5)
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human rights	55	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety	82-85	
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety	82-85	
	403-3 Occupational health services	Health and Safety	82-85	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety	82-85	
	403-5 Worker training on occupational health and safety	Talent Development and Upskilling	77	
	403-6 Promotion of worker health	Health and Safety	82-85	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety	82-85	
	403-8 Workers covered by an occupational health and safety management system	Health and Safety	82-85	
	403-9 Work-related injuries	Health and Safety	84	
	403-10 Work-related ill health	Health and Safety	84	

GRI Standard	Disclosure	Disclosure Location	Page Reference	Alignment with BRSR
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Development and Upskilling	77	
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Development and Upskilling	75-79	
	404-3 Percentage of employees receiving regular performance and career development reviews		AR 141	Principle 3 (EI 9)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Inclusion	72	
	405-2 Ratio of basic salary and remuneration of women to men	Diversity and Inclusion	73	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights policy	54	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Freedom of Association	55	
408-1 Operations and suppliers at significant risk for incidents of child labour	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights Due Diligence in the Supply Chain	128	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Due Diligence in the Supply Chain	128	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Human rights	55	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Freedom of Association	55	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community engagement	114-122	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Screening	124-125	
	414-2 Negative social impacts in the supply chain and actions taken		AR 140, 149	Principle 3 (LI-5 and LI-6), Principle 5 (LI-4 LI-5)
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling		AR 161, 163	Principle 9 (EI 2 and LI 4)
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		AR 161, 163	Principle 9 (EI 3 and EI 7)

BR. No. 20000338



Independent Assurance Statement

To the Management and Stakeholders of Bharat Forge Limited

DQS India Private Limited (DQS) have been engaged by Bharat Forge Limited (BFL) to provide limited assurance over the Bharat Forge Limited's Sustainability Report FY 2024-25. The engagement took place from September to October 2025 and was concluded on October 15, 2025.

Objectives

The objective of this assurance engagement was to independently assess and express conclusions on underlying reporting processes and validate qualitative and quantitative claims, so as to limit misstatement and increase the overall credibility of the reported information and data.

Scope of Assurance

The assurance encompassed the entire BFL Sustainability Report FY 2024-25 and focused on all figures, statements and claims related to sustainability during the reporting period 1, April 2024 to 31, March 2025. More specifically, this included:

- Non-financial statements, information and performance data contained within the Sustainability Report;
- BFL's reported data and information as per the requirements of the Global Reporting Initiative Standards.

Information and performance data subject to assurance is limited to the content of the sustainability report only.

The assurance did not cover financial data, technical descriptions of buildings, equipment and production processes, non-material topics or other information not related to sustainability.

Assurance Criteria and Level of Assurance

The Sustainability report of BFL has been self-declared to be 'with reference to' the requirements of the GRI Standards 2021.

The Assurance activities were provided following the requirements of **Limited level assurance** in accordance with **ISAE 3000 (Revised)**: International Standard on Assurance Engagements (Assurance on Non-Financial Information).

The assurance engagement is not a compliance audit and does not assess or evaluate compliance with applicable laws and regulations.

Responsibility

The management of Bharat Forge Limited, the responsible party for this assignment, is responsible for the preparation and presentation of the Sustainability Report FY 2024-25. They are responsible for establishing and maintaining the internal controls and processes to ensure the collection, calculation, and reporting of accurate and reliable data for this sustainability report.

We, DQS India Private Limited, being the assessor of the report is responsible for expressing a limited level assurance conclusion based on the work performed regarding the accuracy and completeness of the data and information presented in the Bharat Forge Limited Sustainability Report FY 2024-25.

Deutsch Quality Systems (India) Private Limited

Vaishnavi Tech Park, Sy.No.16/1 and 17/2,
Bellandur Gate, Sarjapur Main Road, Ambalipura,
Bengaluru - 560102 Karnataka, India

www.dqsglobal.com

BR. No. 20000338



Assurance Quality control and Practices

We have applied International Standard on Quality Control 1 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.

We have complied with the independence and other ethical requirements of the 'DQS India -Conflict of Interest and Code of Ethics Policy', which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior

Assurance Methodology

The assurance procedures and principles used for this engagement were drawn from the ISAE 3000 standard and methodology developed by DQS, which consists of the following steps:

1. Identifying statements and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process.
2. Carrying out interviews with key functional managers and data owners to understand the process for collecting, collating and reporting the subject matter as per the requirements of Global Reporting Initiative (GRI) Standard General disclosures as well as the following disclosures of the material topics:
 - a. Environmental Indicators:
 - i. Material (301-1, 301-2, 301-3),
 - ii. Energy (302-1, 302-3, 302-4, 302-5),
 - iii. Water (303-1, 303-2, 303-3, 303-4, 303-5),
 - iv. Biodiversity (304-1, 304-2, 304-3)
 - v. Emissions (305-1, 305-2, 305-3, 305-4, 305-5, 305-7),
 - vi. Waste (306-1, 306-2, 306-3, 306-4, 306-5),
 - vii. Supplier Environmental Assessment (308-1, 308-2):
 - b. Social Indicators:
 - i. Employment (401-1, 401-2, 401-3),
 - ii. Labor/Management Relations (402-1),
 - iii. Occupational Health and Safety (403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10),
 - iv. Training & Education (404-1, 404-2, 404-3),
 - v. Diversity & Equal Opportunity (405-1, 405-2),
 - vi. Non-discrimination (406-1),
 - vii. Freedom of association and collective bargaining (407-1),
 - viii. Child labor (408-1),
 - ix. Forced or compulsory labor (409-1),
 - x. Security Practices (410-1),
 - xi. Rights of Indigenous Peoples (411-1)
 - xii. Local Communities (413-1),
 - xiii. Supplier Social Assessment (414-1, 414-2),
 - xiv. Marketing and labelling (417-1),
 - xv. Customer policy (418-1)
 - c. Economic Indicators:
 - i. Economic Performance (201-1, 201-2, 201-3),
 - ii. Market Presence (202-1),
 - iii. Indirect economic impacts (203-1, 203-2),
 - iv. Procurement practices (204-1),

Deutsch Quality Systems (India) Private Limited

Vaishnavi Tech Park, Sy.No.16/1 and 17/2,
Bellandur Gate, Sarjapur Main Road, Ambalipura,
Bengaluru - 560102 Karnataka, India

www.dqsglobal.com

BR. No. 20000338



- v. Anti-corruption (205-1, 205-2, 205-3),
 - vi. Anti-competitive behavior (206-1)
3. Undertook analytical review procedures to support the reasonableness of the data, through remote audits, on a selective test basis, for the following sites:
 - i. Mundhwa, Pune - 411036, Maharashtra, India
 - ii. Baramati Division, E-1/1, MIDC, Baramati - 413133, Dist. Pune, Maharashtra, India
 - iii. Chakan, Nashik Highway, Chakan, Pune - 410 501, Maharashtra, India
 - iv. General Engineering Division, Jarandeshwar Railway Station, 415011, Dist. Satara, Maharashtra, India
 - v. Block 5, Mambattu Industrial Park, PHASE 2, Mambattu Village, Tada Mandal, Andhra Pradesh 524401
 4. Assessing the collected information and providing recommendations for immediate correction where required or for future improvement of the report content.
 5. Concluding after checking the revised report on its reliability and quality after implementation of the immediate corrections to meet requirements of the GRI standard.

Observations and Findings

In addition to providing limited assurance, we noted the following observations during our engagement:

- **Stakeholder Inclusivity:**
We found no evidence of any key stakeholder groups being excluded from BFL's stakeholder engagement process. BFL has demonstrated a proactive and inclusive approach, ensuring that diverse stakeholder perspectives are considered throughout their sustainability strategy and reporting efforts.
- **Materiality:**
We are not aware of any significant material issues concerning BFL's sustainability performance that have been omitted from the report. BFL has thoroughly identified and addressed relevant material sustainability topics, ensuring transparency and alignment with both stakeholder expectations and industry standards.
- **Responsiveness:**
BFL has established robust processes to effectively respond to stakeholder concerns and manage its material sustainability issues. However, the assessment was focused on the verification of the sustainability report and did not extend beyond the agreed scope of assurance.
- **Impact:**
BFL has implemented effective processes to measure, evaluate, and manage the environmental and social impacts associated with its operations. These processes are aligned with key performance indicators (KPIs) relevant to the nature of its business and identified material sustainability issues.
- **Reliability:**
Data management systems are established and centralized for the collection and calculation of data associated with material sustainability topics. These systems provide an adequate foundation for the reliability of the reported data, though certain operational data depend on measurement arrangements at the site level.

Limitations and Exclusions

Excluded from the scope of our work is assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements of a descriptive or interpretative nature, or of opinion, belief, aspiration, or commitment to undertake future actions.

Deutsch Quality Systems (India) Private Limited

Vaishnavi Tech Park, Sy.No.16/1 and 17/2,
Bellandur Gate, Sarjapur Main Road, Ambalipura,
Bengaluru - 560102 Karnataka, India

www.dqsglobal.com

BR. No. 20000338



The following limitations should be noted:

- This limited assurance engagement relies on a risk-based selected sample of sustainability data and the associated limitations that this entails.
- The reliability of the reported data and information are dependent on the accuracy of metering and other production measurement arrangements employed at site level, which were not addressed as part of this assurance.
- This independent statement should not be relied upon to detect all errors, omissions, or misstatements that may exist.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the BFL Sustainability Report for FY 2024-25, prepared 'with reference to' the Global Reporting Initiative (GRI) Standards, is not, in all material respects, fairly stated.

Statement of Independence, Integrity, and Competence

DQS ensures that appropriately qualified individuals are selected for assurance engagements based on their qualifications, training, and experience. The outcome of all verification and assurance assessments is internally reviewed by senior management to ensure a rigorous and transparent approach is consistently applied. DQS provided assurance services to review BFL's sustainability data and processes, ensuring alignment with relevant ISO standards and risk management principles. The assurance assessments are the only work undertaken by DQS for BFL, thus safeguarding our independence and impartiality throughout the engagement.

On behalf of the assurance team

15th October 2025

Bengaluru, India

Dr. Murugan Kandasamy

CEO & Managing Director

Deutsch Quality Systems (India) Private Limited

Deutsch Quality Systems (India) Private Limited

Vaishnavi Tech Park, Sy.No.16/1 and 17/2,
Bellandur Gate, Sarjapur Main Road, Ambalipura,
Bengaluru - 560102 Karnataka, India

www.dqsglobal.com

BHARAT FORGE



BHARAT FORGE LIMITED

Mundhwa, Pune Cantonment, Pune - 411 036, Maharashtra, India.

Phone: +91 20 6704 2777 / 2476

Fax: +91 20 2682 2163

Email: secretarial@bharatforge.com

CIN: L25209PN1961PLC012046

www.bharatforge.com