

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

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

L29130PN1962PLC204515

2. Name of the Listed Entity

Schaeffler India Limited

3. Year of incorporation

April 27, 1962

4. Registered office address

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

5. Corporate address

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

6. E-mail

info.in@schaeffler.com	For Industrial
aftermarket@schaeffler.com	For automotive & Automotive aftermarket
deshmpll@schaeffler.com	For Media
investorsupport.in@schaeffler.com	For investor queries

7. Telephone

+91-20-68198400

8. Website

www.schaeffler.co.in

9. Financial year for which reporting is being done

1st January to 31st December 2023

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

1. BSE Ltd.
2. National Stock Exchange of India Ltd.

11. Paid-up Capital

As on December 31, 2023 the paid-up capital of the Company stood at ₹ 312,607,340 consisting of 156,303,670 numbers of Equity Shares of ₹ 2/- each.

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

Name : Channabasavanna Alegowda,
Head of Sustainability
Telephone : +91-20-68198400
E-mail : alegocan@schaeffler.com

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

The Environmental, social and governance disclosures made in this report are on Standalone basis.



II. Products/services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Automotive Technologies	The Automotive Technologies division is dedicated to creating and producing innovative products designed for various applications related to engines, transmissions, and chassis. These products are developed for use in vehicles powered by internal combustion engines, as well as for hybrid and electrified powertrains.	42%
2.	Industrial	The Industrial division offers a wide range of products that include Ball and Roller Bearings, Plain Bearings, Bearing Housings and Accessories, Linear Bearings, Ultra Precision Drives. Over and above this, under the vertical of Life time solutions we offer lubrication products that include Grease and Oils, Maintenance Products which include a wide range of mounting and dismounting tools, condition monitoring systems to customers across various industrial sectors. These products are distributed through direct sales channels as well as through widespread network of certified distribution partners.	35%
3.	Automotive Aftermarket	Tailor-made solutions for the automotive aftermarket Schaeffler's Automotive Aftermarket division is responsible for the global distribution of 'spare parts' – components and repair solutions for passenger cars, light and heavy commercial vehicles and tractors. With a comprehensive understanding of engine, transmission, and chassis systems, along with an extensive service offer, the aftermarket division also supports workshops carrying out complicated repairs.	10%
4.	Exports and Others	The exports comprise of revenue to overseas group companies based across four Schaeffler group regions i.e. America, Asia Pacific, China & Europe. while 'Others' revenue mainly consists Sale of Scrap.	13%

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

Sl. No.	Product/Service	NIC Code	% of total turnover contribute
1.	Bearings, Engine and transmission products & solutions	28140	99%

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

Sl. No.	Segment	Turnover (₹ Millions)	% of total turnover contribute
1.	Mobility components and related solutions	56,868	79%
2.	Others	15,393	21%
	Total	72,261	100%

III. Operations

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

Location	Number of plants	Number of offices, R&D, Sales, Distribution centre	Total
National	4	22	26
International	-	-	-

Business Responsibility and Sustainability Report

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	26 States & 3 UTs
International (No. of Countries)	23

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

Sl. No.	Particulars	Revenue (₹ Millions)	% of total Turnover contribute
1.	Exports & Others	9,740	13%
2.	Total revenue	72,261	100%

Note: Refer Q14 (4) for export details

c. A brief on types of customers

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

1. Automotive Technologies division has customers in passenger & commercial vehicles, tractors & off-highway segments. Key OEMs in automobile are served by us.
2. Industrial division has customers in sectors like railways, wind power, raw materials, power transmission as well as two wheelers. We also serve large OEMs in these sectors directly and have country wide footprint for distribution.
3. Automotive Aftermarket has wide range of OES (Original Equipment Supplier) & distribution network.

IV. Employees

18. HCO reconciliation:

A. Employees and workers (including differently abled):

	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
1. Permanent (D)	1,566	1,468	94%	98	6%
2. Other than Permanent (E)	129	105	81%	24	19%
3. Total employees (D + E)	1,695	1,573	93%	122	7%
Workers					
4. Permanent (F)	1,292	1,264	98%	28	2%
5. Other than Permanent (G)	2,237	2,006	90%	231	10%
6. Total workers (F + G)	3,529	3,270	93%	259	7%

b. Differently abled Employees and workers:

	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees					
1. Permanent (D)	4	3	75%	1	25%
2. Other than Permanent (E)	1	1	100%	0	0%
3. Total employees (D + E)	5	4	80%	1	20%
Differently abled Worker					
4. Permanent (F)	1	1	100%	0	0%
5. Other than Permanent (G)	10	10	100%	0	0%
6. Total workers (F + G)	11	11	100%	0	0%



19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	3	33%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023			FY 2022			FY 2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6.5%	1.0%	7.5%	7.5%	0.9%	8.4%	5.8%	0.7%	6.5%
Permanent Workers	4.1%	0.0%	4.1%	4.1%	0.0%	4.1%	3.8%	0.0%	3.8%

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

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

Sl. No.	Name of the holding/subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	INA Holding Schaeffler GmbH & Co. KG, Germany	Ultimate holding Company	-	No
2.	Schaeffler Schweinfurt Beteiligungs GmbH	Promoter	-	No
3.	Schaeffler Bühl Verwaltungs GmbH	Promoter	-	No
4.	Schaeffler Verwaltungsholding Sechs GmbH	Promoter	-	No
5.	Industriewerk Schaeffler INA-Ingenieurdienst GmbH	Promoter	-	No
6.	KRSV Innovative Auto Solutions Private Limited	Subsidiary	100%	No

VI. CSR Details

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

Yes

(ii) Turnover (in ₹ Million)

₹ 72,261 mn as on December 31, 2023

(iii) Net worth (in ₹ Million)

₹ 48,153.6 mn as on December 31, 2023

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023		Remarks	FY 2022		Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	
Communities	Yes, <ul style="list-style-type: none"> Open registers at all our plant location. Through Implementing agencies, NGO through writing physical letters. Helpline numbers are mentioned on website. https://www.schaeffler.co.in/en/meta/contact/deshmppl@schaeffler.com	Nil	Nil		Nil	Nil	

Business Responsibility and Sustainability Report

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023			FY 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Schaeffler India Limited shareholding pattern consist of Holding company & shareholders only, so there are no outside investors. https://www.schaeffler.co.in/en/meta/contact/	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes, There is a Shareholders' Handbook for the redressal of investor grievances and to educate the shareholders about their rights as shareholders, standard procedures, and documentation requirements for certain matters. investorsupport.in@schaeffler.com	26	Nil	These include complaints received through SEBI SCORES and stock exchanges	24	Nil	These include complaints received through SEBI SCORES and stock exchanges
Employees and workers	Under vigil mechanism employee can file compliant weo.india@schaeffler.com POSH related complaints posh@schaeffler.com Compliance related, Human rights queries complianceindia@schaeffler.com Employee can file any complaint anonymously https://www.bkms-system.net/schaeffler Grievance redressal Policy has formal Grievance redressal procedure, scope & Objective. (Policy doc available on Schaeffler Intranet)	111	12	Investigation is in progress	57	56	A complaint received in year 2022. was investigated in the same year concluded in 2023, as per requirement under POSH Act
Customer	<ul style="list-style-type: none"> Yes, customers can file complaints on e-mail ids displayed on website. Key OEM customers have their portals for communicating the concerns. SPOCs (Special point of contacts) have been defined for each customer. A dedicated customer care number is pasted on our packaging (MRP stickers) for all products. In parallel we also has internal system of tracking these concerns through SAP based IQOS. info.in@schaeffler.com aftermarket@schaeffler.com https://www.schaeffler.co.in/en/meta/contact/	78	Nil		56	Nil	
Value Chain Partners	SupplyOn is dedicated portal available for assessing supplier performance. In case of any grievances, suppliers can file complaints on the portal. Vigil Mechanism and Whistle-Blower policies are available on the website, which covers value chain partners as well. weo.india@schaeffler.com https://www.schaeffler.co.in/en/meta/contact/	Nil	Nil		Nil	Nil	
Other (please specify)	Yes, Compliance Management System of the Schaeffler Group and Company's Vigil Mechanism/Whistle-Blower mechanism are effective tools towards grievance redressals for both external stakeholders & employees. The policies are available on company's website. weo.india@schaeffler.com https://www.schaeffler.co.in/en/meta/contact/	8	0		4	Nil	Whistle blower hints were received about various topics. Based on investigation none of the complaints were substantiated

Note : Employees and workers complaints include health & working conditions, POSH related complaints. In year 2023 we have taken concrete steps to keep record of such complaints.



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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Water management	Opportunity	Water is one of the crucial elements in operations of the company. It is not only required in production processes, but also for domestic processes. Taking into account availability of fresh water, increasing water pollution in society, we have identified water management as need of the hour.	<ul style="list-style-type: none"> • Zero discharge plants, where the treated water is reused for processes, gardening, etc. • Rain water harvesting & ground water recharge projects initiated, which will reduce water footprint. • Schaeffler India has set a target of 20% reduction of freshwater supply compared to the base year CY19 to be achieved by CY 30. • Various water saving projects initiated like generation of process demineralised water using Treated STP water, Reduce water consumption of cooling tower by reducing daily blow-down water quantity, Treated water reuse in de-oiler & poly dosing tank, Reuse of seepage Rainwater & Rainwater harvesting. • Water savings achieved so far 34,708 m³. 	Negative if target is not achieved
2.	Diversity & inclusion	Opportunity	We believe that diversity & inclusion at workplace will invite people with multiple skill sets and mindsets. This gives an opportunity for innovation, boost in performance, reputation and motivation. We value multicultural experiences and diversity of our employees and consider these the organisation's strength.	<ul style="list-style-type: none"> • Focus is on improving diversity at all levels in the organisation. • Diversity & Inclusion policy implementation. • Welcoming diversified workforce. 	Positive if target is achieved
3.	Safety & working condition	Risk	Negligence in Health & safety practices may lead to deteriorating physical as well as mental health of the Employees & workers. We believe that as a responsible organisation, it is our duty to prioritise safety in all our operations. It is a critical aspect of our business, and we are committed to instilling a culture of safety across all levels of our organisation.	<ul style="list-style-type: none"> • Implementation of EHS policy. • We have EHS personnel at all the plants who take care of EHS practices. • Our health and safety management systems have been implemented in accordance with the International Standards ISO 45001 (Occupational Health and Safety Management System Standard). • Target to achieve 10% average annual reduction in accident rates (LTIR) is on track. 	Incase of failure negative implications
4.	Solution for lower carbon mobility	Opportunity	To walk towards a path of a low-carbon economy, corporates need to adopt responsible business practices to reduce their carbon footprints. Low carbon mobility solutions are the need of the hour.	<ul style="list-style-type: none"> • Various steps have been initiated to reduce carbon footprints with an aspiration to attain climate neutral production by CY30 and be climate-neutral by CY40 which also covers our supply chain. • Schaeffler products are already in EV, hybrid & low carbon mobility technology segment. 	Positive if target is achieved
5.	Energy management	Opportunity	In manufacturing industries, production processes consumes large quantum of energy generated from multiple sources: coal, natural gas, electricity and other fossil fuel etc. Adopting energy efficiency measures will help in optimising energy consumption across its operations.	<ul style="list-style-type: none"> • Target of 4 GWh cumulated annual efficiency gains via the implementation of energy efficiency measures to be achieved by 2024. • Energy saving initiatives undertaken at all the plants led to energy saving of 1,309 MWh. • Target of 100% purchased power from renewable sources to be achieved by 2024. • We have been constantly working on purchasing green energy through hybrid energy (solar and wind) Power Purchase Agreement our locations. 	Positive if target is achieved

Business Responsibility and Sustainability Report

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Emission management	Risk	Upcoming regulations regarding emissions necessitate to be compliant with the requirements. While failure to comply may impact environment and society in the long run, in the short run it may lead to fines, penalties etc.	Schaeffler has clear agenda of lowering <ol style="list-style-type: none"> GHG emissions in own production (Scope 1 and 2 emissions) and in the supply chain (Scope 3 emissions) Net Zero CO₂ emissions by 2040. 	Negative if target is not achieved
7.	Labour Management	Risk	Labour/workers unrest leads to situations like strikes, lockouts etc. This further leads to operational disruptions and lowering productivity, and affects reputation of organisation.	<ul style="list-style-type: none"> Schaeffler India respects opinions of its workers & safeguards their interest, there by following principles of Human rights. Workers are free to express their opinion to management through procedures like collective bargaining. Regular meetings held between leads & union members helps in understanding labor issues & resolve them quickly. 	Negative if labour issues are not resolved
8.	Employee advancement	Opportunity	Schaeffler believes that employee growth will ultimately lead to organisational growth, and hence, both should go hand in hand.	<ul style="list-style-type: none"> The succession for each leader is planned thoughtfully, keeping in mind short term & long term risks. The Company has well established leadership platforms, such as the 'Young Leadership Program' to strengthen the leadership. The Company has a foundation of Talent Mobility to groom high-potential leaders across different Schaeffler locations. We offer learning opportunities through a consolidated platform called The Schaeffler Academy. 	Positive
9.	Waste management	Risk	Safe disposal of hazardous & non-hazardous waste generated during process of production is sole responsibility of organisation. Failure to do so may invite fines, punishment etc thereby harming the image of organisation.	<ul style="list-style-type: none"> We adhere to the three R principle: Reduce, Reuse, and Recycle. To manage our waste, we implement various efficient waste management initiatives that consider environmental impact, social effects, and commercial viability. We dispose our hazardous waste at a government-approved central landfill While our non-hazardous waste is primarily recycled by sending it to authorised recyclers. 	Negative if waste not disposed properly
10.	Compliance	Risk	Compliance acts as base for building trust among external stakeholders and also among employees. This ultimately builds strong organisation.	Company ensures 100% compliance of training on Code of Conduct. Company has digitally enabled comprehensive compliance management system.	Negative if not complied
11.	Data security & data protection	Risk	Cyber-attacks/breaches pose a significant threat to data privacy & cyber security of organisation as well as employees.	<ul style="list-style-type: none"> We have put in place a robust information security policy based on the ISO/IEC 27001 standard and taking into account sector-specific regulations. Procedures and other IT security specifications supplement our information security regulations. Several technical measures have been established to avoid any illegal intrusions and to mitigate the risk of cyber-attacks and avoid data thefts, which also includes monitoring the networks for cyber threats through Security Operations Centre (SOC) to detect and respond to cyber security events. Regular training amongst employees for awareness. 	Negative in case of data breach



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Respect for individuals	Risk	It is basic human right to respect dignity & personal rights of individual. Violation or non-compliance of same may lead to financial as well as reputational loss.	Our Code of Conduct (COC) contains principles of human rights and fair treatment. The Company is committed to the United Nations' international code of human rights, the "UN guiding principles on business and human rights", the ten principles of the "UN Global Compact", and the internationally-recognised standards of the eight core conventions of the International Labor Organization (ILO).	Negative incase of labour unrest
13.	Employee engagement	Opportunity	Employee engagement initiatives helps in employee satisfaction, retention and Increase in productivity.	<ul style="list-style-type: none"> Formal onboarding Recognition programs Knowledge sharing Improving employee wellbeing Better work-life balance 	Positive
14.	Material sourcing	Risk	<ul style="list-style-type: none"> Schaeffler has an extensive supplier base. Sustainable sourcing is of foremost importance to ensure compliance with regulations & uninterrupted supply. It also supports business longevity and builds a strong reputation. This will also help company to achieve its Scope 3 sustainability targets & monitor them more closely. 	<ul style="list-style-type: none"> Schaeffler has set a clear target of Climate-neutral supply chain by 2040. Every supplier need to adhere to Sustainable procurement policy. Supplier Code of Conduct is signed off by all suppliers of Schaeffler India. For supplier selection, we also have specific questions related to Sustainability in the "new supplier selection questionnaire" (SIA – Supplier Initial Assessment). So any new supplier who is added into the supplier base have to fulfil the requirements related to Sustainability. During regular sourcing of parts, the sourcing board presentation includes points related to sustainability and these aspects are verified while approving any new sourcing to any supplier. We also have Sustainability Target Agreements defined together with business partners, and their development is monitored over the period of this Agreement. So, the performance of our suppliers shall be improved continuously. 	Positive
15.	Total quality & product safety	Risk	<ul style="list-style-type: none"> Schaeffler India's product brands – FAG, INA and LuK are associated with best-in-class standards of quality, durability and reliability, making them increasingly susceptible to product piracy. Quality risks & cost involved Reduction in sale due to quality issues 	<ul style="list-style-type: none"> Schaeffler India has completed Quality Management System Certifications VDA 6.3A, IATF 16949, ISO 9001, AS (Aerospace certification) Provision has been made against possible sales loss Products need to go through strict Quality testing parameters before delivering to customer 	Negative incase of rejections from customers
16.	Ethics & transparency	Risk	<ul style="list-style-type: none"> If any employees are involved in unethical practices, this will lead to loss of reputation in market This ultimately will lead to loss of customers & business. 	Our Code of Conduct (COC) Applies to Board, Senior Management and every single employee serves as moral guide. It contains principle of Transparency, trust, and teamwork, transparency toward shareholders, business partners and dealing with each other with honesty	Negative incase of violation of ethical practices
17.	Stakeholder Engagement	Opportunity	Stakeholder Engagement can mitigate potential risks and conflicts with stakeholder groups, including uncertainty, dissatisfaction, misalignment, disengagement, and resistance to change.	<ul style="list-style-type: none"> Open, clear and regular communications with stakeholders regarding important events, progress of company. Conducting regular surveys helps in knowing areas where improvement is required. 	Positive

Business Responsibility and Sustainability Report

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
18.	Community engagement	Opportunity	When community engagement is done right, it can help to develop a more socially responsible organisation. It builds trust within community members, increases level of satisfaction, builds reputation for the company, and facilitates the 'social license to operate'.	<ul style="list-style-type: none"> Communicating with stakeholders Encourage community involvement Undertaking community development projects 	Positive
19.	Transportation & Logistics	Risk	<ul style="list-style-type: none"> Timely delivery of goods is of utmost importance for business continuity Frequent lapses may lead to reputational loss Political unrest, bad weather events are posing challenges 	<ul style="list-style-type: none"> Training for supply chain partners Follow up of delivery terms & timelines Keeping track of political events & weather forecasting and having alternatives during such circumstances	Negative in case frequent delays

Material issues for Schaeffler India



Environmental

- Water management
- Solutions for low carbon mobility
- Emissions management
- Energy management
- Waste management
- Material sourcing
- Transportation and logistics

Social

- Diversity and inclusion
- Safety and working conditions
- Total quality and product safety
- Labour management
- Respect for individuals
- Employee advancement
- Employee engagement

Governance

- Compliance
- Data security and data protection
- Ethics and transparency
- Stakeholder engagement
- Community engagement

Section B: Management and Process Disclosures

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9	
		Ethical & Transparent business conduct	Sustainable and safe goods	Well-being of Employees	Interest of Stakeholders	Promote Human rights	Protect & Restore Environment	Public Policy Advocacy	Diversity & Inclusion	Value to Consumers	
		Policy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, the company has policies which are relevant to NGRBC principles.									
	b. Has the policy been approved by the Board? (Yes/No)	Yes, all the policies are approved by Board									
	c. Web Link of the Policies, if available	Company policies are available on Schaeffler india official website, https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/ . Also some policies & internal documents are available on company Intranet page.									
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes, all the policies are translated into procedures.									
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, we have Supplier code of conduct & sustainability target agreement (Internal document) applicable to suppliers									
4.	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 IATF 16949 ISO/TS 22163:2017 Quality Assurance programme certification	ISO 9001:2015 IATF 16949 ISO/TS 22163:2017 ISO 14001:2015	LKSG ILO ILO Convention ISO 45001:2018	ISO 9001:2015 IATF 16949 TISAX BIS series	LKSG ILO ILO Convention ISO 50001:2018 EU-EMAS	LKSG ILO ILO Convention ISO 14001:2015 ISO 50001:2018	BIS Specifications ISO 9001:2015 ISO 14001:2015 ISO 50001:2018	ISO 9001:2015 IATF 16949 Quality Assurance programme certification ISO/TS 22163:2017 TISAX BIS series	LKSG ILO ILO Convention	ISO 9001:2015 IATF 16949 Quality Assurance programme certification ISO/TS 22163:2017 TISAX BIS series
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Details are available on Page 52									
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We have process of monitoring ESG performance to track deviations on time. We conduct regular quarterly reviews with the Board of Directors, in which we discuss our ESG performance, make changes in our strategy required if any. Also, Monthly reviews are conducted at the plants by Plant heads. Details about progress so far on our targets is available on page 52 of our Annual report.									
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	1. Code of Conduct for Directors, Senior Management & Employees	2. Code on Prohibition of Insider Trading	3. Dividend Distribution Policy	4. Policy on Determination of Material Subsidiary	5. Policy on Determination of Materiality for Disclosure of Events or Information	6. Related Party Transactions Policy	7. Vigil Mechanism or Whistle Blower Policy	8. Internal Audit Charter	9. Business Integrity Compliance (Internal Policy)	10. ESG Group policy (Internal doc.)

Business Responsibility and Sustainability Report

Sl. No.	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
P2	Businesses should provide goods and services in a manner that is sustainable and safe	1. The Schaeffler Supplier Code of Conduct (Internal policy Document) 2. Sustainability target agreement (Internal doc.) 3. EHS policy (Internal Document)				4. Human right policy (Internal Document) 5. Code of Conduct for Directors, Senior Management & Employees 6. ESG Group policy (Internal doc.)				
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	1. Nomination and Remuneration Policy 2. Policy against Sexual Harassment 3. Vigil Mechanism or Whistle Blower Policy 4. The Schaeffler Supplier Code of Conduct (Internal policy Document)				5. Human right policy (Internal Document) 6. Car policy, Parental policy, workman leave policy, Employee death benefit Policy Etc. (All are internal policies available on company intranet) 7. ESG Group policy (Internal doc.)				
P4	Businesses should respect the interests of and be responsive to all its stakeholders	1. Divided distribution policy 2. Code on Prohibition of Insider Trading 3. Policy on Determination of Materiality for Disclosure of Events or Information				4. Related Party Transactions Policy 5. Business Integrity Compliance (Internal Policy)				
P5	Businesses should respect and promote human rights	1. Code of Conduct for Directors, Senior Management & Employees 2. Human Rights group policy (Internal Document) 3. Nomination and Remuneration Policy				4. The Schaeffler Supplier Code of Conduct (Internal policy Document) 5. EHS policy (Internal Document) 6. ESG Group policy (Internal doc.)				
P6	Businesses should respect and make efforts to protect and restore the environment	1. EHS policy (Internal Document) 2. Environmental Protection and Company Security (Group Policy) 3. Sustainability target agreement (Internal Document) 4. Risk Management Policy				5. Policy for Preservation of Documents & Archival of Information 6. Emergency Planning 172930 – 172949 (Group) (Internal Document) 7. ESG Group policy (Internal doc.)				
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	1. Code of Conduct for Directors, Senior Management & Employees				2. Business Integrity Compliance (Internal Policy)				
P8	Businesses should promote inclusive growth and equitable development	1. Corporate Social Responsibility Policy 2. The Schaeffler Supplier Code of Conduct (Internal policy)				3. Human right Group policy (Internal Document)				
P9	Businesses should engage with and provide value to their consumers in a responsible manner	1. Cyber security policy 2. Code of Conduct for Directors, Senior Management & Employees				3. Internal Audit Charter 4. Quality Policy (Group, Internal policy)				
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	A statement from the Chairperson, please refer page 28.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name of highest authority : Mr. Harsha Kadam Designation : MD & CEO DIN : 07736005 Category : E & NID								
9.	Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details	The company has a structured "Sustainability Network" organisation to set targets, review and follow up actions in defined areas of ESG. Sustainability Network is overseen with six pillars in responsibility of Executive Management Leaders. Six pillars – Strategy, Sustainable purchasing, Sustainable production, Sustainable products, Sustainability reporting, People and Culture The network is responsible for reviewing, monitoring, and discussing key sustainability performance indicators and defining strategy and action plans to achieve them. Team ensures Schaeffler standards, and stakeholders' expectations are fulfilled. Quarterly reviews in Board meeting, are conducted where ESG performance are discussed & suitable changes are made in our strategy if required.								

Business Responsibility and Sustainability Report

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Integrity & Security @ Schaeffler	100%
		Review of Financial, Business and Operational Performance of the Company, ESG update	100%
Key Managerial Personnel	4	Review of Financial, Business and Operational Performance of the Company, ESG update	100%
		Integrity & Security @ Schaeffler	99%
		Preventing Bribery & Corruption (PBAC)	100%
		New Compliance WBT "Antitrust Compliance"	100%
Employees other than BoD and KMPs	7	Integrity & Security @ Schaeffler	99%
		Preventing Bribery & Corruption (PBAC) (For new joiners)	100%
		New Compliance WBT "Antitrust Compliance" (For new joiners)	100%
		New Hire Integration (For new joiners)	93%
		Prevention of Sexual Harassment (POSH) at Workplace	90%
		Product Safety Awareness Training	95%
		Sustainability Roadmap	94%
Workers	1	Safety Induction, Basic EHS trainings, Safety DOJO for Shop floor employees, Shop floors rules and standard works, machine safety, fire protection, first aid, environment protection etc Prevention of Sexual Harassment (POSH) at Workplace	100%

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

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



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

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

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

Yes

Business practices of Schaeffler are based on the principles of mutual respect, integrity and fairness which are defined in Schaeffler Group Code of Conduct, which is available on Schaeffler India website. Clause 2.2 of the Code of Conduct provides guidance on corruption and bribery. The values and principles of code of conduct are implemented while designing the policy of business integrity compliance policy of Schaeffler. Schaeffler India has a policy of business integrity compliance (Internal policy doc.) This policy provides binding instructions on business integrity, particularly in the compliance risk areas of corruption and bribery, conflicts of interest, and money laundering and financing of terrorism to reduce the risk of respective violations of the law. Schaeffler also has a separate Code of Conduct for Directors, Senior Management & Employees (refer: CoC of Directors, Senior Management & Employees) and Suppliers Code of Conduct (refer: COC_ Suppliers). The relevant policies can be accessed through the web link provided. The Company also creates awareness about the policy to all its employees, vendors and supply chain partners through physical/virtual training sessions, e-modules Etc. Following are links

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

[Code of conduct of supplier](#)

[Group code of conduct](#)

In addition to this Business practices @ Schaeffler follows Anti-Corruption Guidelines(available for employees on Schaeffler intranet) which defines: rules for:

1. (Anti-Corruption) defines rules and principles governing the proper handling of particular corruption-prone situations.
2. (Gifts & Hospitality) provides details on the granting and accepting of gifts and hospitality.
3. (Charitable Donations) prescribes rules and principles governing charitable donations made on behalf of Schaeffler.

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

	FY 2023	FY 2022
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2023		FY 2022	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No Conflict of Interest incidents were reported against Directors.	0	No Conflict of Interest incidents were reported against Directors.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	No Conflict of Interest incidents were reported against KMPs	0	No Conflict of Interest incidents were reported against KMPs

Business Responsibility and Sustainability Report

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

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

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Supply Chain digitalisation (SupplyOn implementation – Sourcing Module, Web EDI, ASN, GTL, Performance Monitor)	90%
1	Schaeffler Supplier Sustainability (Carbon emission management and targets, Environmental management certification, Occupational health and safety certification, SAQ and Sustainability Target agreement)	89% *

* Self-Assessment (SAQ) by supplier

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

Yes

All directors and employees are governed by Schaeffler Code of Conduct which includes Conflict of interest (COI). Conflict of interest should be avoided & if it is unavoidable it must be disclosed to the Board of Directors to find a solution that will protect the Company's interests.

COI declaration are taken from the Board members on a periodic basis. Adequate resolution is agreed about the declared conflict and documented. Following are links

- Code of Conduct | Schaeffler Group
- Code of Conduct of Directors, Senior Management & Employees
- Code of Conduct for Suppliers
- Business integrity & compliance Policy (Internal Policy)

[Code of conduct of supplier](#)

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

[Group code of conduct](#)



PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	FY 2023	FY 2022	Details of improvements in environmental and social impacts
R&D ¹	100% (₹ 995 mn)	100% (₹ 972 mn)	The ongoing investment in R&D is attributed to improving the localisation, closer to customer & efficiency which ultimately leads to sustainable products. Such products have improved impact on environment and society. <ul style="list-style-type: none"> Our investment e.g. Rail test rig and its accessories to support product development with low friction seal for wheelset would help Rail customers reduce energy consumption thereby reduce carbon footprint. In that perspective about 25% of ongoing investment in R&D @ Industrial business may indirectly result positive impact to environment and social.
Capex ²	7.7%	7.3%	<ul style="list-style-type: none"> We develop products that help our customers to meet their emission targets. We have products that increases reliability there by improving the total cost of ownership of a Truck or a bus operator.

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

2. Details on Sustainable Sourcing

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

Yes

- We have Sustainable Procurement Policy available on Schaeffler India's website
- Supplier Code of Conduct signed by all Schaeffler India suppliers
- Sustainability Assessment Questionnaire (SAQ) is applicable for new supplier as well as existing suppliers. It covers topics such as Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials etc. Supplier limitations in SAQ are referred to RSCI audit (Responsible Supply Chain Initiative)
- Integration of sustainability aspects in sourcing board presentations for new sourcing approvals
- Requirement for suppliers to adhere to Sustainability Target Agreement (STA) for continuous improvement in sustainability performance, which covers, Greenhouse Gas Emissions, Recycling, Renewable Energy, Water Consumption, Waste management, Human rights aspects (Human rights due diligence), Returnable packaging & Transportation, Energy consumption, internationally recognised standards.
- We are member of Responsible Minerals Initiative (RMI) and implementation of Conflict Minerals Reporting procedure to ensure ethical supply chain practices.

[Sustainable Procurement Policy](#) | [Publications](#) | [Schaeffler India](#)

Business Responsibility and Sustainability Report

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

Yes

It is mandatory for all suppliers of Schaeffler India Limited to declare their commitments to our sustainability requirements during registration. 89% of Schaeffler's inputs in India are sourced through suppliers who commit to our guiding principles by providing declarations during the registration phase. We are now working closely with the suppliers on improving their sustainability rating through improvement action. Low performer in SAQ are referred to RSCI audit (Responsible Supply Chain Initiative). We are also targeting top spend suppliers with the STA (Sustainability Target Agreements) which makes the supplier mandatory for committing to sustainable manufacturing practices, energy conservation, green energy usage, waste elimination etc. thus leading to a sustainable supply chain. We are collaborating with Steel Mills to promote green steel production, bolstering our entire supply chain to achieve inline with the Schaeffler's climate neutrality target.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Schaeffler has Prohibited Substance standard which applicable to all the raw material namely Steel, plastics, rubber, oil, and Lubricants including packaging material. This is the comprehensive standard encompassing all the material compliance related requirement applicable to all the Schaeffler products. This standards Not only addresses ELV compliance but also includes Compliance with respect to ROHS, REACH, POP, Asbestos free, CLP (classification, labeling and packaging) compliance, TSCA (toxic substance compliance Act), Phthalates free material. Since Schaeffler has Global presence and delivering the parts across the Globe, including, Europe, Americas, Asia pacific, China and other South African Countries, This Hazardous and prohibited substance standard ensures inclusion and incorporation of all related and updated applicable material compliance requirement considering Global and regional wise local customers' requirement and fulfilling them diligently and demonstrating the compliance by providing the compliance reports in terms of IMDS (international Material data system) reports, ELV, ROHS, REACH, POP ASBESTOS Free compliance report as well as follow Conflict Mineral Report system.

We adhere to the three R principle: Reduce, Reuse, and Recycle. To manage our waste, we implement various efficient waste management initiatives that consider environmental impact, social effects, and commercial viability there by we contribute towards circular economy. Our E-Waste is also provided to Original equipment manufacturer and registered recycler, so as per E-Waster guide line, being end user we comply to this requirement laid down in E-Waste rule. We are also committed towards Zero waste to landfill. (For detail please refer to Page 56)

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

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

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

Yes, it is applicable under category of Brand owner & Importer under plastic waste management rules 2016. We have processed our registration for EPR and We have submitted our application online on CPCB - EPR portal along with action plan.



Leadership Indicators

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

Besides reduction of greenhouse gas emissions in our own production and facilities, we at Schaeffler aim to reduce our climate footprint along the entire value chain. This includes assessing and reducing CO₂-Emissions arising with our suppliers, as well as the footprint generated by the products during their use phase and in disposal. To this end we conduct life cycle analyses (LCA) on our products.

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
28140	Ball & Roller Bearing	56%	Cradle-to-gate	No	Methodology of LCA is followed as per group Guidelines. Results would be provided on case-to-case basis.
28140	Engine Components	14%	Cradle-to-gate	No	
28140	Transmission System	26%	Cradle-to-gate	No	

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

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

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

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2023	FY 2022
Packaging plastic material	15.9%	13.5%
Plastic granules	12.0%	12.0%
Castings	83.1%	83.5%
Steel	17.2%	18.6%

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

	FY 2023			FY 2022		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

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

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Qualitative (Name of Product)	Not applicable

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

Business Responsibility and Sustainability Report

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,468	1,468	100%	1,468	100%	0	0%	0	0%	0	0%
Female	98	98	100%	98	100%	98	100%	0	0%	40	41%
Total	1,566	1,566	100%	1,566	100%	98	6%	0	0%	40	3%
Other than Permanent employees											
Male	105	105	100%	105	100%	0	0%	0	0%	0	0%
Female	24	24	100%	24	100%	24	100%	0	0%	11	46%
Total	129	129	100%	129	100%	24	19%	0	0%	11	9%

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

Category	Total (A)	% of workers covered by									
		Health		Accident		Maternity benefits		Paternity Benefits*		Day Care facilities**	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,264	1,264	100%	1,264	100%	0	0%	0	0%	0	0%
Female	28	28	100%	28	100%	28	100%	0	0%	0	0%
Total	1,292	1,292	100%	1,292	100%	28	2%	0	0%	0	0%
Other than Permanent Workers											
Male	2,006	2,006	100%	2,006	100%	0	0%	0	0%	0	0%
Female	231	231	100%	231	100%	231	100%	0	0%	111	48%
Total	2,237	2,237	100%	2,237	100%	231	10%	0	0%	111	5%

* Parental leave was not applicable to Male candidate in year 2023, from 2024 onwards this is applicable to all male candidates across Schaeffler India.

** In one plant Day care facility is available, for rest of the plants it is under construction stage. We have plan in place introduce the facility to the employees in year 2024.

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

Benefits	FY 2023			FY 2022		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF ¹	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Superannuation benefit (Co Fund + NPS)	100%	100%	Yes	100%	100%	Yes
Encashment on retirement	100%	100%	Yes	100%	100%	Yes

¹ includes family pension scheme.



3. Accessibility of workplaces

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

Some of our premises and offices are currently accessible to differently abled employees and workers. We follow harmonised guidelines and space standards for barrier free environment for persons with disability. We are progressing towards installing the required facilities to make the premises accessible to differently abled employees and workers.

We have basic infrastructure development plan for Diff-abled persons in all the plants. This plan includes:

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

In addition, to encourage diversity and inclusion, one aspect is to deploy differently abled candidates. In this view, as a regular practice the potential positions are identified in technical as well as non-technical functions. These positions may be filled on on-roll and off-roll basis. Currently, there are approximately 15 differently abled employees and workers deployed in different locations.

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

Schaeffler India Code of Conduct (COC), incorporates principle of Diversity. We have recognised equality as one of the human right and respecting this human right at workplace is priority for the company. The Company has a long-term commitment towards creating a respectful working environment that is free from prejudice and in which diversity is regarded as a success factor. We believe in respecting each individual and giving equal opportunity at work place regardless of their age, gender, gender identity, ethnic and social background, nationality, religion, world view, disabilities, and sexual orientation. Being a global organisation Schaeffler considers cultural diversity as strength. We strive to create a working environment which is inclusive and free from discrimination, intimidation, and abuse. Our Diversity & inclusion policy is under formulation stage. Link of code of conduct:

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

[Code of conduct of supplier](#)

[Group code of conduct](#)

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male*	NA	NA	NA	NA
Female	100%	100%	0 [#]	0
Total	100%	100%	0	0

* Parental leave was not applicable to male candidate in year 2023, from year 2024 onwards this is applicable to all male candidates across Schaeffler India.

There is no women worker who has taken maternity leave under permanent workers category.

Business Responsibility and Sustainability Report

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

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

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

Category	FY 2023			FY 2022		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,566	0	0%	1,547	0	0%
Male	1,468	0	0%	1,449	0	0%
Female	98	0	0%	98	0	0%
Total Permanent Workers	1,292	810	63%	1,324	809	61%
Male	1,264	810	64%	1,296	809	62%
Female	28	0	0%	28	0	0%

8. Details of training given to employees and workers:

	FY 2023				FY 2022					
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill up gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,573	1,294	82%	1,475	94%	1,514	1,211	80%	1,443	95%
Female	122	69	57%	102	84%	121	55	45%	98	81%
Total	1,695	1,363	80%	1,577	93%	1,635	1,266	77%	1,541	94%
Worker										
Male	3,270	1,981	61%	1,743	53%	4,563	1,701	37%	1,296	28%
Female	259	234	90%	63	24%	312	246	79%	28	9%
Total	3,529	2,215	63%	1,806	51%	4,875	1,947	40%	1,324	27%

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

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

	FY 2023			FY 2022		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,468	1,468	100%	1,449	1,449	100%
Female	98	98	100%	98	98	100%
Total	1,566	1,566	100%	1,547	1,547	100%
Worker						
Male	1,264	1,264	100%	1,304	1,304	100%
Female	28	28	100%	12	12	100%
Total	1,292	1,292	100%	1,316	1,316	100%



10 Health and safety management system:

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

Yes

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

[EHS Policy – Group](#)

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

We believe that as a responsible organisation, it is our duty to prioritise safety in all our operations. It is a critical aspect of our business, and we are committed to instilling a culture of safety across all levels of our organisation. We regularly evaluate our safety practices against industry standards to establish a safe and secure workplace for our employees, business partners and contractors, striving to set the benchmark for excellence.

On the routine work we have process of Identification of potential work related Risks, Assessment and valuation of risk (HIRA) is done in every risk assessment cycle for all work locations. This risk assessment process is carried out in three stages – to be at local locations across the locations by CFT teams and by engaging third party. Apart from the above process we have following system in place to identify routine and non routine related work

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

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

Yes. In addition to implementing safety measures, we encourage our employees and workers to report health and safety violations such as work hazards, near misses, and unsafe acts among others

We have Incidence reporting system in place where employee can report work related hazards

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

To remove the risks we have implemented the white tag system where employees can fix the issues themself and red tag system to report it to maintenance department for further actions

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

Yes.

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

Business Responsibility and Sustainability Report

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

Safety Incident/Number	Category	FY 2023	FY 2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.2	0.7
	Workers	0.1	1.4
Total recordable work-related injuries	Employees	1	3
	Workers	1	9
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

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

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

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

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	49	3	-	30	0	-
Health & safety	9	0	-	17	0	-

Note: In year 2023 we have taken concrete steps to keep record of such complaints.

14. Assessments for the year:

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

Note: Schaeffler India internal assessment

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

1. All safety related accidents are being investigated, Post incident/s root cause analysis being done and documented and outcomes from investigation reports are shared across organisation
2. Action plan prepared and corrective action have been taken through safety PDCA with why-why analysis
3. Lessons learnt from the incident are shared across the locations for the horizontal deployment of the corrective actions



Leadership Indicators

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

Employees	Yes
Workers	Yes

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

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

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

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

1. Company follows a stringent policy on deduction of statutory dues and to be deposited by the value chain partners. The details are outlined in the Schaeffer Supplier Code of Conduct. All partners within the supply chain should uphold the principles of transparency and accountability in terms of statutory requirements, fostering business responsibility.
2. Company also ensures statutory compliances related to employees, workers such as timely wage payment and Provident fund, TDS. In case of non-compliances stringent actions are taken against defaulter business partner.

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

	Total no. of affected employees/worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	0	0	0	0
Workers	0	0	0	0

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

No

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	89%
Working Conditions	89%

* Suppliers evaluated based on spent

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

Better Health & safety practices and working conditions are executed through the Supplier Code of Conduct document. Additionally, the health and safety practices as well as the working conditions are assessed through the audits - SIA & SSA.

Sustainability Assessment Questionnaire (SAQ) is applicable for new as well as existing suppliers. It covers topics such as Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials etc. Low performers in SAQ is referred to RSCI audit (Responsible Supply Chain Initiative)

Sustainable Procurement Policy, which is available on our Schaeffler India internet site [Link to the internet site - Sustainability | Schaeffler India](#)

Business Responsibility and Sustainability Report

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

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

Identification: Wherein we identify key stakeholder groups from a larger universe of all possible stakeholders.

Identification of stakeholder is based on their material influence on the Company's ability to create value and vice-versa.

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

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	<ul style="list-style-type: none"> Annual/Quarterly results publication Annual report Investor and analyst meetings Financial follow-up reports Earnings conference call Shareholders plant visit 	<ul style="list-style-type: none"> Annually Quarterly 	Financial performance and business, ESG updates & Strategic priorities
Customers/ dealers/ distributors	No	<ul style="list-style-type: none"> Publications Media & digital communications Conferences and customer meets/events Personal visits Customer Surveys 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Information about products Product/Service quality and safety Delivery conditions, feedback
Employees	No	<ul style="list-style-type: none"> Employee surveys Idea management Internal media One-on-one meetings Conferences Trainings Workshops Publications Newsletters & reports Online portals Town hall, Open house meetings 	<ul style="list-style-type: none"> Ongoing As and when required 	<ul style="list-style-type: none"> To inform employees about the organisation's updates, events To create awareness about business, including codes and values To understand employee needs and opinions, feedback
Suppliers and Vendors	No	<ul style="list-style-type: none"> Contracts/Agreements SOPs Guidelines Training Purchase Orders/Service orders Management meetings 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Sustainable sourcing Clear information of terms condition of supply delivery etc.
Community/ Associate partners/ NGOs	Yes	<ul style="list-style-type: none"> Community meetings Survey Visits Discussions 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> To empower community and promote community development
Union/State Government	No	<ul style="list-style-type: none"> Annual/Quarterly reports E-mail, hard copy letters Meetings Communication through portals 	<ul style="list-style-type: none"> Ongoing As and when required 	<ul style="list-style-type: none"> To comply with regulations To get approvals To keep regulators informed



Leadership Indicators

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

- The Executive Leadership Team subordinate to the Board of Directors, is responsible for all the matters related to ESG along with other organisational issues. They acts as a link between Board & Stakeholders. The members of ELT updates the Board about ESG related topics. ELT is responsible to seek feedback, inputs, suggestions from the Board on ESG topics. ELT take initiative on prioritising our strategies, and action plans to address our economic, environmental, and social impacts.
- Materiality Assessment is one of the ways of identifying material issues along with ESG issues in consultation of various stakeholders. This is done through circulating questionnaire among stakeholders to assess and rank the relative importance of selected ESG topics. Outcome of the assessment is plotted on the graph so as to focus ESG initiatives and building out a comprehensive strategic framework. We did this materiality assessment in year 2022. (Details on Section A, question 24 of BRSR Report)
- We have different committees which takes care of matters related with different stakeholders including ESG topics & inform board about the updates. Viz; Stakeholder relationship committee (SRC), Risk Management Committee (RMC), Corporate Social Responsibility Committee, Audit Committee (AC) etc.

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

Yes

- Materiality Assessment was done in year 2022. In consultation with stakeholders, we identified 19 material issues. After taking poll, issues were prioritised & plotted on a graph. This helped us formulating time bound ESG targets, short term/long term plans and goals with a monitoring mechanism.
- Reputation risk, ESG Targets vis a vis Status 2023, ESG Sustainability Roadmap – Long-term commitment with focus on short term goals, these were some of the topics that was raised in Risk management committee meeting/Board meetings. This made us more agile & vigilant towards ESG topic. We have created sustainability network in year 2023 to achieve & monitor our 8 ESG targets. We are also working progressively to have Schaeffler India esg policy.

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

We work closely with communities and civil society networks to tackle systematic issues that can acts as force multipliers for social transformation and sustainable development. “Promoting women social enterprise to bring inclusion of vulnerable groups through Corporate Social Responsibility (CSR) initiatives is a commendable approach adopted by CSR team. Under one of such CSR initiatives on skill development, two women enterprises from rural areas has been trained and promoted on sustainable products like jute bags, River Grass products for corporate gifting. One such women enterprise is now a registered vendor with the company and has initiated supplying corporate gifting packaging material on various occasions. Through CSR initiatives, company is providing financial support, mentorship, and capacity-building programs to women social entrepreneurs. This support can help these enterprises grow and thrive, enabling them to become reliable suppliers within the company’s supply chain. By integrating these women enterprises we not only diversify our supplier base but also promoting economic empowerment and social inclusion.

Business Responsibility and Sustainability Report

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

	FY 2023			FY 2022		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1,566	1,566	100%	1,547	1,547	100%
Other than permanent	129	129	100%	94	94	100%
Total Employees	1,695	1,695	100%	1,641	1,641	100%
Workers						
Permanent	1,292	1,292	100%	1,324	1,324	100%
Other than permanent	2,237	2,237	100%	225	225	100%
Total Workers	3,529	3,529	100%	1,549	1,549	100%

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

Category	FY 2023					FY 2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1,566	0	0%	1,566	100%	1,547	0	0%	1,547	100%
Male	1,468	0	0%	1,468	100%	1,449	0	0%	1,449	100%
Female	98	0	0%	98	100%	98	0	0%	98	100%
Other than Permanent	129	0	0%	129	100%	94	0	0%	94	100%
Male	105	0	0%	105	100%	71	0	0%	71	100%
Female	24	0	0%	24	100%	23	0	0%	23	100%
Workers										
Permanent	1,292	0	0%	1,292	100%	1,324	0	0%	1,324	100%
Male	1,264	0	0%	1,264	100%	1,296	0	0%	1,296	100%
Female	28	0	0%	28	100%	28	0	0%	28	100%
Other than Permanent	2,237	1,071	48%	1,166	52%	3,558	1,106	31%	2,452	69%
Male	2,006	948	47%	1,058	53%	3,274	928	28%	2,346	72%
Female	231	123	53%	108	47%	284	178	63%	106	37%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category (₹)	Number	Median remuneration/salary/wages of respective category (₹)
Board of Directors (BoD)	6	5,342,500	3	6,115,000
Key Managerial Personnel	3	19,532,508	0	-
Employees other than BoD and KMP	1,471	1,329,150	102	936,006
Workers	1,743	751,416	63	288,360



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

Yes. Regional Compliance Officer is first point of contact for issues regarding Human Rights.
email id: complianceindia@schaeffler.com.

In addition, anyone can send a mail with questions related to Human rights to humanrights@schaeffler.com OR In case of violation of Human rights, a complaint can be filed via the Schaeffler Whistle Blowing Channel weo.india@schaeffler.com

In addition, at each plant we have Industrial Relations & Admin. Which takes care of Human rights issues at plant level. Also, at company level we have various committees which takes care of Human rights issues E,g Grievance Redressal Committee, POSH Committee, Townhall meeting by ELT(Executive leadership team).

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

The Schaeffler Human Rights Policy is applicable to all employees from January 01, 2024 within the Schaeffler Group. The policy defines binding instructions for all employees facilitating the respect for human rights and the prevention of human rights violations in all business activities of Schaeffler, incl. own organisations and the supply chain.

- An appropriate and effective grievance management mechanism allows for the effective prevention, and remediation of adverse human rights-related impacts caused by company and business activities. Regional Compliance Officer is first point of contact for issues regarding Human Rights. complianceindia@schaeffler.com.
- In addition, anyone can send a mail with questions related to Human rights: humanrights@schaeffler.com OR
- Both employees and affected rights holders outside the company have the opportunity to submit information about potential human rights violations through the Schaeffler whistleblower system.
- Complaint can be filed by writing to Incident reporting system anonymously Via Business keeper Monitoring system (BKMS) <https://www.bkms-system.net/>. We provide an electronic reporting system in 20 different languages and reports can be submitted through various reporting channels.
- This information can be also provided the telephone hotline numbers to report verbally at global level.
+55 61 35507564 (Portuguese; English, German), +86 10 65997961 (Chinese, English German)
+ 49 30 99257146 (German, English, French), +1 213 2791015 (English, Spanish, German).

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

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

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

There is an online tool where complainant can lodge complaint anonymously <https://www.bkms-system.net/schaeffler>. Such a tool is accessible only to Compliance department. Enquiry is conducted on accused irrespective of complainant. If complainant discloses identity voluntarily and participates in enquiry process, due care is taken by Internal Compliance Committee (includes external member) to follow confidentiality as much as possible. Till such time that enquiry is in process, complainant has option to work from other location (incl work from home). So far, there have been no such instances of adverse consequences to the complainant.

Business Responsibility and Sustainability Report

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

Yes

1. We also have the Supplier Code of Conduct signed off with all suppliers of Schaeffler India. This is also required for all new suppliers who are added to the Schaeffler India supplier base.
2. During new supplier selection, we also have specific questions related to Sustainability in the “new supplier selection questionnaire” (SIA – Supplier Initial Assessment). If any new supplier who is added into the supplier base have to fulfil the requirements related to Sustainability.
3. Schaeffler wants its supplier adhere to Sustainability Target Agreement (STA) in which sustainability aspects are defined together with business partners, and their development is monitored over the period of this Agreement.
4. We also have Sustainability Assessment questionnaire for existing supplier which covers the sections: Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials.

9 Assessments for the year:

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

* Schaeffler India internal assessment done at 4 plants & corporate office.

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

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

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

Leadership Indicators

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

We received 1 POSH complaint this year, which was resolved during the year immediately. We have taken a step ahead to make employees more agile & vigilant towards POSH issues. Along with online meetings that being attended from home and other places, apart from offices for POSH, we also conduct physical session to spread awareness about POSH mechanism.

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

Respect for human rights is an integral part of Schaeffler’s culture. In designing its human rights processes, Schaeffler follows recognised standards such as the UN Guiding Principles on Business and Human Rights and the National Action Plan for Human Rights (NAP), complies with current legislation, and incorporates stakeholder requirements.

Schaeffler thus creates the basis for a comprehensive company-wide human rights due diligence. Human rights due diligence conducted through circulating questionnaire & it has 100% coverage of employees of organisation.

These efforts are reflected in a large number of measures that encompass the company’s own organisation as well as its purchasing network and business partners. The measures are combined in a systematic management approach: the Human Rights Compliance Management System.



The Human Rights Compliance Management System comprises 5 fields of action:

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

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

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

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

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

4. Details on assessment of value chain partners:

We have Sustainability Assessment questionnaire for existing supplier which covers the Human rights related topics Viz: Company Management, Human Rights and Working Conditions, Health and Safety, Business Ethics, Environment, Responsible Supply Chain Management and Responsible Sourcing of Raw Materials.

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	89%
Forced/involuntary labour	89%
Sexual harassment	89%
Discrimination at workplace	89%
Wages	89%

Note: Supplier covering majority of volume were evaluated using social and environmental criteria through Self-Assessment Questionnaire (SAQ)

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

During the fiscal year 2023 the Company screened its Critical suppliers (based on volume criteria) using social and environmental criteria through Self-Assessment Questionnaire (SAQ) and found no negative social or environmental impacts. However, under NQC assessment 03 suppliers were identified having issue related with Human rights. They were referred to Responsible Supply Chain Initiative Audit (RSCI). It is mandatory for all suppliers of Schaeffler to declare their commitments towards Schaeffler's sustainability requirements during registration. We are working closely with the suppliers on improving their sustainability rating through improvement action.

Business Responsibility and Sustainability Report

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

Parameter	FY 2023	FY 2022
Total electricity consumption – in kWh (A)	112,655,762	101,788,548
Total fuel consumption – in kWh (B)	27,835,442	23,010,212
Energy consumption through other sources – in kWh (C)	Nil	Nil
Total energy consumption – In kWh (A+B+C)	140,491,204	124,798,760
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.0019	0.0018
Energy intensity (optional) – the relevant metric may be selected by the entity per piece of production	-	-
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

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

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

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

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kiloliters)		
(i) Surface water	Nil	Nil
(ii) Groundwater	98,878	111,774
(iii) Third party water	155,264	128,537
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	254,142	240,311
Total volume of water consumption (in kiloliters)	174,081	151,823
Water intensity per rupee of turnover (Water consumed/turnover)	0.0000024	0.0000022
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

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

Yes

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

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

Parameter	Unit	FY 2023	FY 2022
NOx	mg/Nm ³	2,295	1,475
SOx	mg/Nm ³	53	179
Particulate matter (PM)	kg	1,041	2,313
Persistent organic pollutants (POP)	Units	Nil	Nil
Volatile organic compounds (VOC)	kg	3,474	2,327
Hazardous air pollutants (HAP)	Units	Nil	Nil
Others – please specify	Units	-	-
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

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

Parameter	Unit	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	7,010	6,568
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	64,228	75,984
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tons of CO ₂ equivalent per rupee of turnover	0.0000010	0.0000012
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Units	-	-
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

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

Yes

We have implemented energy efficiency programs to reduce energy consumption, resulting in lower emissions and cost savings. Our initiatives on energy efficiency includes optimising operating pressure of centralised compressed air system, Installation of High efficiency air compressor, AMF Power Pack modification CNC machines are few initiatives. In addition, we are committed to green energy consumption and aim to achieve 100% renewable energy usage by 2024. We plan to achieve this through power purchase agreements, the installation of our rooftop solar panels, and the use of renewable energy certificates. Additionally we have taken a serious concern on reducing the scope1 emission by alternate fuels and converting the conventional type furnaces into modern or electric furnaces to reduce 90% of emissions. The CO₂ emission which cannot be reduced will be adjusted by doing carbon offset program.

For details Please refer: Annexure E to directors report: Conservation of energy.

Business Responsibility and Sustainability Report

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

Parameter	FY 2023	FY 2022
Total Waste generated (in metric tons)		
Plastic waste (A)	306	242
E-waste (B)	0.4	0.3
Bio-medical waste (C)	0.3	3.2
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	1.3	2.4
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	1,135	852
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5,507	4,307
Total (A+B + C + D + E + F + G + H)	6,950	5,407
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	6,116	3,977
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	6,116	3,977
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	347	168
(ii) Landfilling	152	462
(iii) Other disposal operations	161	282
(iv) Waste sent for co processing	443	283
Total	1,103	1,195
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

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

Schaeffler India has adopted the group EHS policy where it addresses the waste generated in our processes which stated are under “Minimum Environmental Impact and Environmentally Friendly Products”. We endeavor to minimize environmental impact by taking suitable measures in advance. We consume raw materials and energy sparingly and make every effort to minimize waste, wastewater, noise, and other emissions. We manufacture environment friendly products considering the entire product lifecycle.

In line with our policy, Schaeffler India has taken a ESG target of Zero waste to land fill by carrying out a 3R principle to reduce our waste generation, Re-use of the possible wastes and recycling the Hazardous and non-Hazardous wastes. We have initiated a project at Savli location where the Hazardous waste generated from our Effluent treatment plant is disposed to a cement industry for co-processing which is best alternative to land fill. The same concept will be implemented at all the locations to achieve zero waste to landfill by 2025. Pilot Run implemented: 443 tons of hazardous waste diverted from landfills & sent for Co-processing to cement industry. Material yield is one of the major areas we are working to reduce the scrap from the production process. Automotive plants will take up the target of achieving 3% material yield by CY25.

The casting & MS scrap generated in the production process are sent back to the Vendors for recycling and our new raw material is having recycled content in the material, which will further reduce the Scope 3 emission.

Other non-hazardous wastes generated are wood, cartons, paper, gunny bags, plastic wastes and maintenance scraps. We have reduced the generation of the paper waste by adopting the digital solutions and reduced about 90% of the paper used.



Cartons are the major waste in packaging, which is generated when we receive raw materials and in the dispatches of the final product to customers. To reduce the packaging waste, Schaeffler India is working with suppliers & customers to reduce the packaging wastes and has initiated a returnable packaging material in agreement with more than 50% of our suppliers & customers. Wooden pallets are reused internally for the transportation to avoid purchasing of the new pallets.

For the chemicals and substances, which we use, we have our own control system called BAFF, a substance control system which will allow only approved substances for controlling the procurement of non-standard and highly toxic chemicals.

Schaeffler in the design stage itself considers optimizing the design of the product and process in coordination with the Tooling department to reduce the waste generated during production.

We are maintaining the register of declarable substance and we are compliant with REACH and RoHS standards. Also, we are abiding by the regulations around conflict of minerals at Schaeffler.

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

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

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

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

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

Yes. We have complied with all applicable laws, regulations and guidelines.

Sl. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by court	Corrective action taken, if any
Nil				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2023	FY 2022
From renewable sources		
Total electricity consumption (KWh) (A)	34,902,688	14,107,128
Total fuel consumption (KWh) (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (KWh)(A+B+C)	34,902,688	14,107,128
From Non-renewable sources		
Total electricity consumption (KWh) (D)	77,753,074	87,681,420
Total fuel consumption (KWh) (E)	27,835,442	23,010,212
Energy consumption through other sources (F)	-	-
Total energy consumption (KWh)(D+E+F)	105,588,516	110,691,631
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/s KPMG, Ms. EMAS and Ms. Int Technica	Yes, M/s KPMG, Ms. EMAS and Ms. Int Technica

Business Responsibility and Sustainability Report

2. Provide the following details related to water discharged:

Parameter	FY 2023	FY 2022
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
No treatment	Nil	Nil
With treatment – please specify level of treatment		Nil
(ii) To Groundwater	Nil	
No treatment	Nil	Nil
With treatment – please specify level of treatment		Nil
(iii) To Seawater	Nil	
No treatment	Nil	Nil
With treatment – please specify level of treatment		Nil
(iv) Sent to third-parties	Nil	
No treatment	Nil	Nil
With treatment – please specify level of treatment		Nil
(v) Others	Nil	
No treatment	0	Nil
With treatment – please specify level of treatment (Tertiary treatment)	80,061	88,488
Total water discharged (in kiloliters)	80,061	88,488
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

The waste water was treated initially in the Effluent treatment plant and then with Combined treatment plant (Effluent and sewage treatment plant) before discharge to municipal treatment facility. We Implemented reuse of the STP Treated water at non contact wash room points and Re-use of RO Reject to reduce freshwater consumption.

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

We don't have any operations in any water stressed areas.

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

Parameter	Unit	FY 2023	FY 2022
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)*	Metric tons of CO ₂ equivalent	353,153	703,383
Total Scope 3 emissions per rupee of turnover	Units	0.0000049	0.0000102
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Units	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency		Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica	Yes, M/s KPMG, Ms. EMAS and Ms. Intechnica

Note: Purchase of good & services has been evaluated under Upstream Scope 3

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

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

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

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Renewable Energy	PPA and Own roof top panel	31% achieved
2.	Energy Efficiency	EEP	1.51 MWh savings achieved
3.	Fresh water withdrawal	Water saving projects	6,511 m ³ achieved
4.	Zero Waste to land fill	Hazardous waste from Effluent treatment plant sent to cement Industry	443 tons of Hazardous waste sent for Co-processing material to cement industry

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

Yes, we have a Business Continuity, contingency and crisis management policy, where its primary objective is to provide basic regulations for Business Continuity, in particular for Contingency Management with focus on hazard prevention and maintaining customer supply, and for Crisis Management. All employees within the scope of the policy are required to follow it.

We have established several escalation stages, which are disruption, emergency, emergency with crisis potential, local/regional crisis, and crisis. It is mandatory to report any situation that does not meet the criteria of these stages. The purpose of having a plan is to develop a more proactive, comprehensive, and integrated approach to strengthen our ability to prepare for, mitigate, and respond to disasters that may occur. We have the highest standards of IT security and systems. We also have a robust information technology disaster recovery plan in conjunction with the business continuity plan. We follow our Schaeffler procedure “Contingency Management with Focus on the Ability to Supply” available in the Management Handbook (Internal document).

Our procedure specifies what production and distribution at the site as well as relevant support/service functions must do to be able to continue customer supply in the event of resource outages or other defined situations with emergency potential.

This Group procedure (P) regulates the technical, organisational, environmental and safety-oriented measures and the responsible areas/departments for preventing hazards to persons and equipment and ensuring that contact with the customer is maintained and the customer is supplied with goods and services even in contingency situations. In addition we have Risk management system in place where we report potential risk with valuation criteria and also action plan is defined to mitigate those risk.

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

As a responsible organisation we have an ambitious target of becoming climate neutral in the supply chain (upstream-Scope 3) by 2040.

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

- Sustainable supply chain with 89% of suppliers have been evaluated on SAQ,
- Reduction of the emission by optimising the transportation by implementing the CDC’s (consolidated distribution center-warehouse)
- Implementation of the returnable packaging as 50% our customers packages are already converted into returnable packaging’s etc.

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

We have assessed 89% of our production material suppliers through Schaeffler Self-Assessment Questionnaire (SAQ). SAQ covering various aspects such as environmental impacts and certifications. Schaeffler encouraging all suppliers for better environmental practices through ISO 14001 certifications.

No. of value chain partners that were assessed	% of value chain partners (by value of business done with such partners) that were assessed	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
77	89%	No negative environmental impacts on its value chain.

Business Responsibility and Sustainability Report

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations

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

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

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

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

There were no incidents of anti-competitive issues involving the Company during the reporting period 2023.

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



Leadership Indicators

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

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/ No)	Frequency of review by board	Weblink, If available
1.	BIS Technical Committee PGD13- Major amendment of IS 4773:2023: Rolling Bearings — Plummer Block Housings — Boundary Dimensions. IS 6457: 2024: SINGLE ROW CYLINDRICAL ROLLER BEARINGS — SPECIFICATION	Schaeffler India Limited is the primary drafter of the new version of IS 4773, year 2023. Schaeffler India Limited created a new technical draft that was reviewed by other members of the BIS PGD13 committee	The p-draft of IS 4773:2023 is under review. It will be available in public domain when BIS publishes as Wide Circulation draft for comments by Indian public by end of the current year.		Weblink will be available after wide circulation to the public (pending)
2.	BIS Technical Committee PGD13- Major amendment of IS 6457: 2024: SINGLE ROW CYLINDRICAL ROLLER BEARINGS — SPECIFICATION	Schaeffler India Limited was the primary drafter of the new version of IS 6457, year 2023. We created a new technical draft that was reviewed by other members of the BIS PGD13 committee	The review of p-draft of IS 6457:2024 is completed. It will be available in public domain when BIS publishes as Wide Circulation draft for comments by Indian public by mid of the current year.		Weblink will be available after wide circulation to the public (pending)
3.	BIS Technical Committee PGD13- Major amendment of IS 3090:2023 INSTALLATION AND MAINTENANCE OF ROLLING BEARINGS — CODE OF PRACTICE	We contributed in re-drafting the standard IS 3090:2023	The p-draft is still under review by the PGD13 committee.		Weblink will be available after wide circulation to the public (pending)
4.	BIS Technical Committee MTD16 – review of IS17111 replacing IS4398 (withdrawal)	We contributed by playing a major role in revising the BIS Bearing Steel Standards IS17111 and recommending improvements to bring them up on par with other international standards. We were additionally tasked by BIS to review one of the international standards ISO 683-3- Heat Treatable Steels, Alloy Steels, and Free Cutting Steels-Part3-Case Hardening Steels pertaining to ISO/TC 17/SC. As a result IS4398 will be withdrawn and IS17111 will be revised	Since IS4398 is under compulsory certification, information is available in public domain such as Quality Control order by Ministry of Steel		Quality Control Orders Ministry of Steel Gol

1. [PGD 13](#) – Bearing Sectional Committee – Committee | Dashboard (bis.gov.in) – Scope: Formulation of standards for rolling element bearings and hydro-mechanic bearing (including plain, thrust bush bimetallic, hydrostatic bearing and hydro dynamic bearings etc.) Composition | Dashboard (bis.gov.in)

2. [MTD16](#)- Alloy Steels and Forging Sectional Committee Sectional Committee – Committee | Dashboard (bis.gov.in) Composition | Dashboard (bis.gov.in)

Business Responsibility and Sustainability Report

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

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

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

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

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

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

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

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

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

	FY 2023	FY 2022
Directly sourced from MSMEs/small producers	35%	35%
Sourced directly from within the district and neighbouring districts	50%	49%

Note: Figures for FY 2022 are revised



Leadership Indicators

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

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

Details of negative social impact identified	Corrective action taken
	Not applicable

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

Sl. No.	State	Aspirational District	Amount spent (In ₹)
1	Gujarat	Narmada	17,111,200

* 1 out of 112 aspirational districts notified by NITI Aayog (Sr. no 36 as per list).

Project "Jal Jeevika" has been initiated at tribal villages Mal & Somat of dediapada block, Narmada district of Gujarat in year 2022. The project aims to conserve rain water for the sustainable livelihood development. The project will be going to impact 4254 common citizens of these tribal villages.

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

No. Our suppliers are selected based on their performance on various parameters and standards including cost, quality, delivery, technology, and sustainability. Before being awarded a project, all suppliers must comply with the established sourcing guidelines.

However, under CSR activities company has started initiative to develop Entrepreneurial skill development programs for weaker section of society. People preferably women entrepreneurs are imparted with training to develop their entrepreneurial skills. Company is trying to bring them into business, not necessarily as supplier but for procuring other administrative requirement at various offices or plants. e.g packing material, uniforms, gifts articles etc. Recent example is, under our CSR activities, women entrepreneur belonging to marginalised group was registered as our vendor. They supply gifts article, bags, handmade gift article at corporate events. We are taking efforts to see whether any prospective product we could develop from these people which can be used in value chain. Also, we work with MSME suppliers to further upgrade on technical (technology aspects) & quality upgradation.

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

Not applicable as answer to above question (a) is "No"

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

Not applicable as answer to above question (a) is "No"

Business Responsibility and Sustainability Report

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

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

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

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

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

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1.	Women Skill Development Project	200	100%
2.	Schaeffler India HOPE Engineering Scholarship Program	86	100%
3.	Schaeffler Technical Enhancement Program (STEP Centre) – Hosur	300	61%
4.	Watershed Project Hosur (Jal Sanghamam)	2,894	100%
5.	Mobile Science Lab – Vadodara	5,628	100%
6.	Nitara project: Promoting livelihood for women and differently abled	200	100%
7.	Lok Vidhyalaya School	526	74.45%
8.	Mook Dhvani School	225	100%
9.	Mobile Health Unit – Vadodara	39,980	83%
10.	Jal Jeevika	4,254	100%
11.	Quest On Wheels	3,371	100%
12.	STEP Vadodara	298	64%
13.	Schaeffler Technical Enhancement Program (STEP Centre) – Pune	122	76%
14.	Green Energy School Electrification Program	1,671	100%
15.	Mobile Health Unit – Talegaon	14,323	96%
16.	Jal Samridhhi	2,926	65%
17.	Pre-Vocational Education Program in Govt Schools	1,586	100%
18.	Mobile Science Lab – Hosur	2,429	100%
19.	Mobile Health Unit – Hosur	5,129	100%
20.	Community Development Project – Hosur & Talegaon	143	100%



PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

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

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

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

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

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

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

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

	FY 2023		Remarks	FY 2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

Business Responsibility and Sustainability Report

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

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

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

Yes

Cyber security is not just anchored in one area at Schaeffler but extends across several functions. We have robust & effective cyber security procedures laid out by group.

We follow the group policies on cyber security and data privacy. We are governed by Code of conduct which ensure, "Protection of personal data". We are committed to protecting the data of our customers and employees. We have a privacy policy at group level to which we adhere It is available on company website at <https://www.schaeffler.co.in/en/meta/privacy-policy/>.

Additionally, we have an internal framework in place to address cybersecurity and risks related to data privacy.

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

There were no such instances occurred during the reporting year

Leadership Indicators

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

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

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

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

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

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

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

WE follow procedure “Contingency Management with Focus on the Ability to Supply” available in the Management Handbook (Internal document).

Procedure specifies what production and distribution at the site as well as relevant support/service functions must do to be able to continue customer supply in the event of resource outages or other defined situations with emergency potential.

This Group procedure (P) regulates the technical, organisational, environmental and safety-oriented measures and the responsible areas/departments for preventing hazards to persons and equipment and ensuring that contact with the customer is maintained and the customer is supplied with goods and services even in contingency situations.

In case of any risk with respect to product delivery to customer (Force majeure) customers are notified in advance as per the agreed terms, through mails, calls, distribution network & sales representatives for any disruption in services. Manufacturing plant would usually inform the Product Management Team of any such disruption. Accordingly, the customers who are likely to be impacted are identified and a formal communication informing them of the risk/ disruption is done along with recovery measures (if any are identified at that point).

We also maintain sufficient safety stock in our warehouses to cater to contingencies and are able to inform customers in advance in case of any unforeseen risks like supply chain disruptions etc.

So we have robust process to deal with contingent situation so as to avoid risk of disruption/discontinuation of essential services to customer.

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

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

Yes. We do display information on the product over and above what is mandated as per law. As an example, based on customer request, we do provide a Unique Identification number on selected product type, which allows us to trace back the manufacturing & assembly details of products. More details about our products and services can be found on the following link: <https://www.schaeffler.co.in/en/products-and-solutions/>. We Conduct customer surveys to gauge consumer satisfaction with respect to major products, significant locations of operation, or the entity as a whole once in two years. (We have conducted this survey recently in year 2023). Feedback output is analysed, discussed, based on that we define our strategy to resolve issues if any. E.g In survey if we find customer dissatisfaction about delivery terms, we find who all the customer who raised concern about delivery. We work upon how we can improve & measures are implemented accordingly.

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

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil, there were no instances of reportable data breaches

b. Percentage of data breaches involving personally identifiable information of customers

Nil, there were no instances of reportable data breaches