

Date: 17th July 2024

National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C-1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India NSE Scrip Code – SKFINDIA	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001, Maharashtra, India BSE Scrip Code -500472
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Subject: Business Responsibility & Sustainability Report for the year ended 31st March 2024.

Dear Sir/Mam,

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10th May 2021, we are enclosing herewith Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2023-24. The said report also forms part of Annual Report 2023-24 of the company.

Annual Report is available on website of the company at <https://www.skf.com/in/investors/financial-results>

We request you to take the above information on record and disseminate the same on your respective websites.

Thanking you,

Yours faithfully,
For SKF India Limited

Ranjan Kumar
Company Secretary & Compliance Officer

SKF India Limited

Registered Office: Chinchwad, Pune 411 033, Maharashtra, India

Tel: +91 (20) 6611 2500., Fax no: +91(20) 66112396 , Web: www.skf.com, www.skfindia.com email id: investors@skf.com

CIN: L29130PN1961PLC213113

ANNEXURE – M**Business Responsibility and Sustainability Reporting****SECTION A: GENERAL DISCLOSURES****I. Details of the listed entity**

1. Corporate Identity Number (CIN) of the Listed Entity	L29130PN1961PLC213113
2. Name of the Listed Entity	SKF INDIA LIMITED
3. Year of incorporation	1961
4. Registered office address	Chinchwad, Pune 411 033, Maharashtra
5. Corporate address	Chinchwad, Pune 411 033, Maharashtra
6. E-mail	investors@skf.com
7. Telephone	020 66112500
8. Website	www.skf.com/in
9. Financial year for which reporting is being done	FY 2023-24
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	INR 494,379,630
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: Ranjan Kumar Contact: (+91) 020-66112623 Email: investors@skf.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)	Standalone basis
14. Name of assurance provider	-
15. Type of assurance obtained	-

II. Products/services**16. Details of business activities (accounting for 90% of the turnover):**

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and dealers of Bearings	Manufacturing and Distribution of bearings, seals, lubrication systems, mechatronics, and related products and services.	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Bearings and its components	2814	98%

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

Location	Number of plants	Number of offices	Total
National	3	5	8
International	0	0	0

19. Markets served by the entity:**a. Number of locations**

Locations	Number
National (No. of States)	28
International (No. of Countries)	36

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

8%

Business Responsibility and Sustainability Reporting (contd.)

c. A brief on types of customers

SKF India Limited, a leading manufacturer of bearings, seals, lubrication systems, condition monitoring solutions, and services, empowers companies in the automotive and industrial sectors. We serve various industries such as automotive, aerospace, agriculture, construction, energy, and industrial sectors providing state of art technologies in friction reduction, energy efficiency, equipment longevity, and reliability. Within the automotive industry, we serve manufacturers of two-wheelers, four-wheelers, heavy vehicles. In the industrial sector, our clientele includes players in the metal industry, railways, wind energy, general machinery, as well as the food and beverage industry.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	743	606	82%	137	18%
2.	Other than Permanent (E)	459	347	76%	112	24%
3.	Total employees (D + E)	1,202	953	79%	249	21%
WORKERS						
4.	Permanent (F)	958	955	99.69%	3	0.31%
5.	Other than Permanent (G)	2,184	1,980	91%	204	9%
6.	Total workers (F + G)	3,142	2,935	93%	207	7%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	1	1	100%	0	0%
3.	Total differently abled employees (D + E)	1	1	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	1	100%	0	0%
5.	Other than permanent (G)	4	3	75%	1	25%
6.	Total differently abled workers (F + G)	5	4	80%	1	20%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	17%
Key Management Personnel	4	0	0%

Business Responsibility and Sustainability Reporting (contd.)

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

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.4%	18.9%	17.6 %	15.8%	18.8%	16.3 %	13.4%	22.1%	14.5%
Permanent Workers	6.4%	0 %	6.3%	5.9%	0.0%	5.9 %	5%	0.0%	5%

V. Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. 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	AB SKF	Holding Company	45.85%	No
1	Sunstrength Renewables Private Limited	Associate	26.74%	No
2	Cleanmax Taiyo Private Limited	Associate	26%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
 (ii) Turnover (in MINR): 45,701.3
 (iii) Net worth (in MINR): 26,828.4

VII. Transparency and Disclosures Compliances
25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	1	1	We have recently received feedback from the community near our factory. We have already made significant investments in improvement projects aimed at addressing this concern.	0	0	We periodically engage with community representatives for understanding their concerns.
Investors (other than shareholders)	Yes https://www.skf.com/in/investors	0	NIL	NIL	0	0	-

Business Responsibility and Sustainability Reporting (contd.)

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 2023-24			FY 2022-23		
		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
Shareholders	No	23*	21*	Total 1960 correspondences were received by the Company, out of which 1876 correspondences were replied to the satisfaction of shareholders during the year under review, balance 84 Outstanding correspondences as on 31 st March 24, have been attended by 29 th April 2024.	1468	91	In FY 2022-23, the Company received 1,468 complaints of various natures. Of which 1,377 were successfully resolved to the satisfaction of stakeholders and remaining 91 were carried forward and resolved by 29 th April 2023.
Employees and workers	Yes https://cdn.skfmediahub.skf.com/api/public/0901d196809a699a/pdf_preview_medium/0901d196809a699a/pdf_preview_medium.pdf	0	-	-	2	1	Employees and workers concerns were duly addressed by the Company. Standard formal mechanisms were effective in timely resolution of the complaints.
Customers	Yes https://www.emarketplace.in.skf.com/privacy-policy	467	56	To effectively manage our customers' concerns, we have established multiple communication channels, namely the Complaint Handling System (both administrative and technical), Customer Care, and our official website. Over the course of the reporting year, we received 329 administrative complaints and 138 technical complaints. As of March 31 st , 2024, 45 (14%) administrative complaint and 11 (8%) of technical complaints remain unresolved.	0	0	To address our customers' grievances, we have different channels such as Complaint Handling system (administrative and technical), Customer care and website. During the reporting year, we received 687 admin complaints, 95 technical complaints. Out of these, 1 (0%) admin complaints, (36%) technical complaints are pending to be resolved as of 31 st March 2023.
Suppliers and Distributors	Yes https://www.skf.com/in/organisation/for-supplier	0	0	-	0	0	Suppliers can register their grievances through dedicated E-Mail Id

Business Responsibility and Sustainability Reporting (contd.)

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 2023-24			FY 2022-23		
		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
Other (please specify) CSR Beneficiaries and community development partners	Yes Community partners are expected to adhere to code of conduct (CoC) and any breaches/deviations from the code are expected to be reported as outlined in the code of conduct https://www.skf.com/in/organisation/forsupplier	0	0	-	0	0	We have conducted impact studies for our CSR programmes through third party. In association with CSR partners, we take up counselling and workshop sessions for beneficiaries

*This year, only the number of complaints is considered, the remarks column shows the total number of correspondences

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying risk/opportunities	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer performance	Opportunity	SKF India strives to meet the needs of our customers through innovative products and solutions.	-	Positive Implications
2	Economic Performance	Opportunity	SKF is a profit-driven organisation. The financial performance is the overall indicator of the economic impact SKF has on society, as an employer, a member of the stock market and a customer and supplier to other companies.	-	Positive Implications
3	Occupational health and safety	Risk and opportunity	SKF gives top priority to the health and safety of employees, contractors, agency workers and visitors and is committed to providing safe and healthy working conditions to prevent work-related injury and ill health as well as to assure well-being in the work environment.	Workplace Safety at SKF India is guided by "SKF Care" principles for employees and "Business Care" and our operations are compliant with ISO 45001 standards.	Negative Implications

Business Responsibility and Sustainability Reporting (contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying risk/opportunities	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Energy and energy management	Opportunity and risk	We work towards positively impacting environment by focusing on reducing energy consumption and carbon footprint.	SKF India is adopting various strategies for reducing its own operational carbon footprint as detailed in Principle 6.	Positive and Negative Implications
5	Supplier ESG (Environmental, Social & Governance) performance	Opportunity and risk	Supply chain sustainability is very significant for resilient businesses. It is imperative to align the suppliers with the organisation's sustainability vision for creating long-term value.	SKF India works closely with its suppliers for meeting the Sustainability targets. We also run a supplier ESG improvement programme wherein the ESG performance of the suppliers is mapped and measures are taken for implementing key actions.	Positive and Negative Implications
6	Anti-corruption	Opportunity and risk	Businesses care about meeting the customer expectations along with profitability and shareholder returns while adhering to the highest standards of ethical behaviour.	The Company has a strong code of conduct (CoC) in place outlining the strategies for transparent and accountable operations including Fair Competition Directive and Anti-Bribery and Anti-Corruption Directive to prevent, reduce and mitigate risk related to anti-corruption. All stakeholders are sensitised on our CoC and the Company has zero tolerance towards the non-compliance of CoC.	Positive and Negative Implications
7	Water	Opportunity and risk	Water stewardship in operations is essential for managing water related impacts and ensuring operational eco-efficiency.	SKF India focuses on environmental aspects like energy, water, soil, and air. The risks are identified through our Sustainability, EHS and plant teams for taking necessary steps to mitigate the probable risks.	Positive and Negative Implications

Business Responsibility and Sustainability Reporting (contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available*	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company is aligning with various certification and frameworks as listed below: <ul style="list-style-type: none"> • ISO 9001:2015 • ISO 14001:2001:2015, ISO450001:2018, OECD guidelines for multinational enterprises, UN Global Compact principles, UNSDGs, SteelZero, RE100 and SBTi, Responsible Steel Initiatives LEED certification, GRI, NGRBC Principles and Silver rating certification in CII Greenco 								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> • SKF India is committed to achieving full decarbonization of its manufacturing sites by 2030. • By 2050, SKF India will achieve Net-Zero emissions across the value chain • 5% reduction in water consumption YoY • SKF India has taken the target of achieving 35% Diversity in Leadership by 2025 								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<ul style="list-style-type: none"> - SKF India has achieved renewable energy sourcing 43% of it's total requirement. - Our Bangalore factory has already at a stage of procuring renewable energy of more than 95% of it's requirement. - Critical Suppliers identified and GHG emission programs for suppliers are been identified and implementation started. - 7.8% reduction in water consumption with respect to delivery. 								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Message from Managing Director is included in the section of 'Corporate overview'.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Ranjan Kumar, Director - People Experience, Legal, Sustainability & CA (Industrial Region ISEA)								

Business Responsibility and Sustainability Reporting (contd.)

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.	At SKF India, the oversight and execution of Business Responsibility Policies are entrusted to the leaders of various key functions, including Ethics, Legal, Compliance, CSR, and Sustainability. The Board is periodically apprised on the progress against the ESG issues and sustainability matters. The Board also oversees the disclosures relating sustainability.
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10. Details of Review of NGRBCs by the Company:

No.	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Performance against abovepolicies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Need based, Regular								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	N	N	N	N	N	N	N	N	N

*The links for SKF India's policies relating to NGRBC principles are listed below

- Code of Conduct
- Vigil Mechanism Policy
- EHS Policy
- CSR Policy
- SKF Group Quality Policy
- Supplier Sustainability Policy

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Business Responsibility and Sustainability Reporting (contd.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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	Ongoing - Multiple trainings throughout the year.	CoC, Cultural Leadership	100%
Key Managerial Personnel		CoC, Skill Building, Leadership, Behavioural, Technical Induction	100%
Employees other than BoD and KMPs		Behavioural, Cultural Leadership ESG, CoC, Health & Safety, Integrated Waste Management, Anti-corruption and bribery, Export Control, Cyber security etc	100%
Workers		CoC, Health & Safety, Energy Efficiency, Integrated Waste Management Improvement, Skill Upgradation,	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

		agencies/ judicial institutions			preferred? (Yes/No) preferred? (Yes/No)
Penalty/ Fine	None	None	None	None	None
Settlement	None	None	None	None	None
Compounding fee	None	None	None	None	None

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	None	None	None
Punishment	None	None	None	None

Business Responsibility and Sustainability Reporting (contd.)

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

Not Applicable

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.

SKF maintains a 'zero-tolerance' approach against any such act and prohibits the same. SKF forbids to give or promise to give money or anything of value to government officials. to obtain or secure business or for any other improper advantages. It is also prohibited to make payments that are not supported by actual deliveries and correct invoices. At SKF, we generally discourage offering of any gifts or favors to any government officials.

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 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2023-24		FY 2022-23	
	Numbers	Remarks	Numbers	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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.

None

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

	FY 2023-24	FY 2022-23
Number of days of accounts payables	94	86

9. Open-ness of business

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	34 %	35%
	b. Number of dealers distributors to whom sales are made	599	568
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	31%	29%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	58%	57%
	b. Sales (Sales to related parties/ Total Sales)	9%	8%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d. Investments (Investments in related parties/ Total Investments made)	100%	100%

Business Responsibility and Sustainability Reporting (contd.)

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
31	SKF Code of Conduct for New suppliers & Sub-contractors were conducted covering 09 parameters of SKF CoC4S. This also includes Implementation of SKF CoC in supplier premises. Topics like Risk mitigation, Legal requirements, Zero tolerance to forced, labour and child labour, History of CoC, Value Chain, Materials, CoC Audit parameters, etc.	80%
60	Trainings on corrective actions for CoC non-compliant suppliers were conducted	
04	Sustainability awareness sessions including Carbon Foot printing studies for suppliers	

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, the entity has established processes to prevent and manage conflicts of interest involving members of the Board. The Code of Conduct for Directors/Senior Management delineates ethical practices aimed at mitigating conflicts of interest between personal economic matters and the Company's business. Any instances of such uncertainty are required to be promptly brought to the attention of the Board for assessment and resolution. For more details, refer to the link: https://cdn.skfmediahub.skf.com/api/public/0901d196809a6aba/pdf_preview_medium/0901d196809a6aba_pdf_preview_medium.pdf

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 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Nil	Nil	-
Capex	9%	10%	Various capital investments targeting the improvement in social and environmental performance have been taken up in FY 2023-24 which includes Solar Captive Energy, Oil recycling, Safety, Sprinkler system, fire suppression, water management

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The sustainable sourcing at SKF is guided by "Supplier Sustainability Policy-India & Southeast Asia". The Policy sets the guidelines for suppliers to collaborate for our shared sustainability goals and maintain transparency with ESG standards and engage in fair and ethical business practices. Supplier sustainability assessments were conducted to ensure the engagements with ESG compliant suppliers. We have implemented green procurement guidelines which includes the prioritisation of local procurement, energy efficient devices and adherence to supplier CoC.

Our Green Supply Chain Policy (Group Environmental, Energy, Health & Safety Policy) guides to systematically work to understand the sustainability impacts of our supply chain. In addition, Supplier CoC and Sustainability Standard for Suppliers mandates the compliance towards social standards including human rights. Trainings are provided to new suppliers on CoC compliance and corrective actions are suggested and necessary guidance is provided for non-compliers.

Business Responsibility and Sustainability Reporting (contd.)

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

All critical suppliers have been sourced sustainably.

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.

At SKF India, we actively promote the recycling of defective items by sending them to steel suppliers for repurposing. We are currently in the process of establishing procedures for reclaiming products to facilitate recycling and reuse.

Under our commitment to sustainability and the principle of reuse, we offer remanufacturing services for select bearings. This process extends the lifespan of the bearings and significantly reduces material consumption. Additionally, our "Rotating Equipment Performance" business vertical provides comprehensive services for health monitoring of rotating equipment and predictive maintenance. This proactive approach helps prevent unplanned breakdowns, leading to substantial energy and resource savings.

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.

SKF India is registered as a brand owner under Extended Producer Responsibility (EPR) regulations, demonstrating our commitment to responsible waste management. In FY 2023-24, the Company successfully recycled 477 metric tons of plastic waste.

Leadership Indicators

1. 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 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	477 MT	Nil	Nil	318 MT	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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	% of employees covered by										
	Total (A)	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	606	606	100%	606	100%	0	0	606	100%	606	100%
Female	137	137	100%	137	100%	137	100%	NA	NA	137	100%
Total	743	743	100%	743	100%	137	100%	606	100%	743	100%
Other than Permanent employees											
Male	347	347	100%	347	100%	NA	NA	NA	NA	NA	NA
Female	112	112	100%	112	100%	112	100%	NA	NA	NA	NA
Total	459	459	100%	459	100%	112	100%	NA	NA	NA	NA

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

Business Responsibility and Sustainability Reporting (contd.)

Category	% of workers covered by										
	Total (A)	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 workers											
Male	955	955	100%	955	100%	NA	NA	NA	NA	NA	NA
Female	3	3	100%	3	100%	3	100%	112	100%	NA	NA
Total	958	958	100%	958	100%	3	100%	728	76%	NA	NA
Other than Permanent workers											
Male	1980	1980	100%	1980	100%	NA	NA	NA	NA	NA	NA
Female	204	204	100%	204	100%	204	100%	NA	NA	NA	NA
Total	2184	2184	100%	2184	100%	204	100%	NA	NA	NA	NA

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.93%	0.91%

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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100 %	100 %	YES	100 %	100 %	YES
Gratuity	100 %	100 %	NA	100 %	100 %	YES
ESI	0 %	22 %	YES	0 %	24 %	YES
Others – please specify	-	-	-	-	-	-

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.

SKF India is committed to creating inclusive work environment. The Company is proactively enhancing accessibility across its premises to cater to individuals with disabilities. At our corporate office, we have installed disabled-friendly toilets to ensure inclusivity and convenience for all.

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.

Yes, the Code of Conduct reflects our commitment to providing equal opportunities for individuals with disabilities, ensuring inclusivity and non-discrimination in all aspects of employment and participation. Ensuring human rights and labor standards, both within our organisation and across our value chain, is a key focus at SKF. We prioritise inclusive development through fair employment practices and unequivocally prohibit discrimination or harassment based on any grounds, including race, religion, gender, physical ability, or any other factor.

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

Business Responsibility and Sustainability Reporting (contd.)

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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, SKF prioritises open communication and upholds gender equality through a comprehensive policy. All facilities have Internal Complaint Committees as mandated by the Prevention of Sexual Harassment Act. Our Whistleblower policy is designed to thoroughly investigate any breaches related to ethics outlined in our Code of Conduct, while also ensuring protection for the individuals who report such breaches. In addition to the option for employees or other stakeholders to approach the HR Manager, Director HR, or even the Managing Director directly, we provide a dedicated phone line and email address for reporting grievances. Individuals can send direct mails to the MD or even to the Group CEO. In cases where violations of the Code of Conduct are confirmed, disciplinary action has been taken against employees. Further details on child labor prevention and anti-discrimination measures can be found in Principle 5 of this report.

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

Category	FY 2023-24			FY 2022-23		
	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	743	0	0	743	0	0
- Male	606	0	0	626	0	0
- Female	137	0	0	117	0	0
Total Permanent Workers	958	958	100%	919	910	98.8%
- Male	955	955	100%	918	908	98.9%
- Female	3	3	100%	1	1	100%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	606	606	100%	481	79%	626	626	100%	626	100%
Female	137	137	100%	101	74%	117	89	76%	90	77%
Total	743	743	100%	582	78%	743	715	96%	716	96%

Business Responsibility and Sustainability Reporting (contd.)

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Male	955	955	100%	955	100%	918	870	95%	918	100%
Female	3	3	100%	3	100%	1	1	100%	1	100%
Total	958	958	100%	958	100%	919	871	95%	919	100%

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	606	577	95%	626	626	100%
Female	137	119	87%	117	117	100%
Total	743	696	93%	743	743	100%
Workers						
Male	955	0	NA	918	0	Nil
Female	3	0	NA	1	0	Nil
Total	958	0	NA	919	0	Nil

10. Health and Safety management

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

SKF is firmly committed to achieving zero work-related accidents. The Company prioritises safety and believe all incidents are preventable. Company's core objectives encompass preventing injuries and safeguarding employee health in the workplace.

SKF's robust internal systems and controls align with strategic goals to minimise waste, safety risks, environmental impact, and operational costs. As an ISO 14001:2015 and ISO 45001:2018 certified Company, SKF India strictly adheres to Environmental Management Systems (EMS) and Environmental, Health & Safety (EHS) protocols for managing occupational hazards. This also includes proactive identification and management of potential hazards across our manufacturing processes. We have established clear guidelines for safe work practices and protocols for handling emergencies.

The Company conducts annual Management Review meetings to address safety and environmental concerns, including legal compliance, internal/external audits, and safety observations. Internal and external audits, along with Group EHS audits and observations, help identify hazards and continuously improve the effectiveness of existing controls.

SKF prioritises occupant safety through comprehensive training programs. We offer third-party seminars, in-house sensitisation programs, and distribute learning modules, publications, and regular safety newsletters. Additionally, we celebrate National Safety Month and World Environment Day to raise awareness.

While the Company experienced 3 recordable accidents this year, we have taken corrective actions to prevent future occurrences. SKF is intensifying its efforts towards achieving our zero-accident vision through ongoing engagement and awareness programs.

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

SKF India leverages a comprehensive Hazard Identification and Risk Assessment (HIRA) methodology, aligned with our Environmental Management System (EMS), to proactively identify potential safety hazards. This qualitative assessment allows us to develop effective mitigation plans for managing these risks.

We have identified and ensured preparedness for a wide range of emergencies, including fire, spills, accidents, food

Business Responsibility and Sustainability Reporting (contd.)

poisoning, vehicular incidents, electrical hazards, and natural disasters. SKF's Emergency Response Plan (ERP) outlines comprehensive precautionary controls for these eventualities.

SKF India is committed to continuous improvement. We conduct regular mock drills to ensure preparedness and effectiveness of the ERP. Detailed plans and reports associated with the ERP and mock drills are readily available at our plant facilities. We also conduct various third-party and compliance audits, further strengthening our risk management framework.

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

SKF India has established a well-defined procedure for managing unsafe conditions throughout its operational boundaries. This procedure actively encourages employee participation in identifying work-related hazards.

Employees, supervisors, and managers are empowered to participate in structured Hazard Identification and Risk Assessments (HIRA) preparations, safety walks, and share valuable feedback. At SKF India, health and safety committees are operated at the factory or unit level. These committees bring together worker and management representatives to discuss and agree upon essential measures for improving overall health and safety performance.

We provide trainings to employees and workers to equip them with the knowledge and skills to take necessary precautionary measures and remove themselves from any hazardous situations.

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

We prioritise employee health and well-being by offering comprehensive medical support across all our locations. This includes:

- **On-site dispensaries with doctor consultations:** Employees have access to medical professionals for consultations at all SKF India locations
- **24/7 ambulance service:** We provide a round-the-clock ambulance service to address emergency medical needs
- **Hospital partnerships:** SKF India has established partnerships with hospitals to ensure access to emergency services, healthcare provisions, and treatment for work-related injuries
- **Periodic health checkups:** Employees and their families undergo regular health checkups at reputable hospitals to promote preventive care
- **Internal and external medical schemes:** SKF India offers separate medical schemes for workers (internal) and staff employees (external) to address non-occupational healthcare needs
- **Need-based vaccination camps:** The Company organises vaccination drives to ensure employees are up-to-date on essential vaccinations
- **Healthcare/awareness programs:** In collaboration with hospitals, SKF India conducts regular programs to educate employees on various health topics, including first aid, emergency response, women's health, chronic disease management, and mental well-being
- **Employee wellness programs:** SKF India offers online or in-person training sessions on topics like work-life balance, healthy habits, sleep hygiene, cancer awareness, and stress management. These programs promote overall employee well-being, encompassing both physical and emotional health

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.453	0.6
Total recordable work-related injuries	Employees	0	0
	Workers	3	5
No. of fatalities	Employees	0	0
	Workers	0	0

Business Responsibility and Sustainability Reporting (contd.)

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
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.

SKF India recognises its employees' experience and skills as the Company's greatest asset. Promoting a culture of employee well-being is fundamental to our business practices. Throughout FY 2023-24, SKF India delivered regular training programs and awareness sessions to advance employee health, safety, and responsible business practices across all operations. This commitment to a safe and healthy work environment included enacting additional safeguards and policies to protect employees, while ensuring fulfillment of customer needs as outlined in Principles 3 and 5.

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

	FY 2023-24			FY 2022-23		
	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	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessment 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%

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.

None

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).**

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	Yes

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

At our Company's plants, all employees are governed by the terms and conditions outlined in the Employment Contracts issued by the Company. We ensure full compliance with all applicable laws and regulations, including adherence to minimum wages as specified by the Minimum Wages Act rules. Additionally, contractual employees engaged through third-party vendors are managed through defined contracts, and we ensure their full compliance with minimum wage requirements.

Within our value chain, we uphold the highest standards of transparency and accountability through SKF's Code of Conduct for Suppliers and Sub-contractors. We require suppliers and subcontractors to adopt and implement this Code of Conduct in their operations. Through various means such as registration, onboarding processes, contracts, and

Business Responsibility and Sustainability Reporting (contd.)

training sessions, suppliers and subcontractors are made aware of the requirements outlined in the Code of Conduct. They are expected to work in accordance with SKF specifications, with statutory compliance being an integral part of the Code of Conduct. To ensure compliance, audits are conducted at suppliers' premises, and appropriate actions are taken against any non-compliance.

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:

No such instance has occurred in reporting year

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? (Yes/ No)

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	100%
Working Conditions	100%

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.

SKF has Code of Conduct for Suppliers and Sub-contractors which forms the basis of the Social Impact Assessments. We assess various safety measures of the suppliers including man, machine, electrical, fire, chemical. Due attention is paid to monitor the risks & impact of manufacturing process on the health & safety of workers of our value chain partners. These include regular & recorded safety trainings, critical equipment testing, water & food testing, qualified & competent operators and personnels). Suppliers are monitored till the closure of the corrective actions.

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.

SKF India recognises the importance of trust and engagement with all stakeholder groups. This collaborative approach supports progress towards business goals while aligning with sustainable development for all. We have adopted corporate sustainability as our core business practice focusing on long-term value creation for stakeholders. SKF India has identified key stakeholders, both internal and external. A systematic engagement process fosters mutual trust and growth. The stakeholder engagement plan incorporates the following steps:

- Aligning business practices with stakeholder needs and expectations
- Identifying key individuals for ongoing dialogue
- Maintaining engagement through dedicated SKF India counterparts
- Utilising stakeholder interactions to gather valuable feedback for mutual benefit
- Addressing specific stakeholder concerns within a sustainability framework, considering potential implications for SKF's business and stakeholder groups
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Business Responsibility and Sustainability Reporting (contd.)

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

Sr.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1.	Local Community around plant	No	Social media	Regular, Need-Based	(i) Environmental and social impacts of SKF India operations
2.	CSR Beneficiaries	Yes	Emails, Feedback Forms, Phone Calls, Physical Visits & Meetings	Monthly	(i) To enhance employability and entrepreneurship skills among youths (skilling) (ii) To support completion of higher education by girl students (scholarships) (iii) To develop analytical skills among school children (STEM education) (iv) To reduce the environmental and health hazards from indiscriminate dumping of domestic waste to pollute natural resources like land, air, ground water, etc.
3.	Associate Partners/ NGO's	No	Emails, Telecommunication, Team Meetings and Physical Meetings	Monthly	(i) CSR Programme Need Assessment, Budgeting, Implementation (ii) Monitoring, Evaluations, Impact Assessment, Reporting and Compliances
4.	Union/ State Government	No	Email, telecommunication	Yearly	(i) Collaboration for project execution (ii) Policy advocacy and sectoral developments
5.	Employee and unions	No	Meetings, Email and Newsletters	Quarterly	(i) Aligning with business priorities, Employee health and safety, grievances (ii) Employee engagement and training programmes, Employee well-being
6.	Shareholders, investors, and analysts	No	Investor Meetings, AGM, Annual reports, Quarterly reports, Newspaper Publications, Websites Regular intimation to Stock Exchanges	Regular	(i) Appraise about Company's periodic results and disclosures (ii) Keep Shareholders update on latest development in the Company.
7.	Customers, dealers, and distributors	No	Emails, Mass emailers and Websites	Quarterly	(i) Customer Relationship Management, Enhancing customer experience (ii) Understanding market conditions and requirements
8.	Suppliers and vendors	No	Emails, Mass emailers Websites	Quarterly	(i) Mutual sharing of needs and expectations (ii) Quality, cost, and delivery improvement (iii) Share knowledge and best practices, vendor recognition (iv) Strategic partnerships and value creation (v) Responsible sourcing (vi) Implementing CoC (Code of Conduct) for suppliers

Business Responsibility and Sustainability Reporting (contd.)

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 internal teams engage with external stakeholder groups to understand and communicate the expectations and business strategies. The feedbacks from the stakeholder groups are periodically apprised to the Board of Directors. The delegation of authority for the management of ESG material topics including the expectations of stakeholders flows from the Board of Directors. For details on the mode of engagement, frequency of engagement, and major topics of concern, refer to essential indicators of P5.

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 the policies and activities of the entity.**

We have conducted extensive stakeholder engagement for the identification and prioritisation of material ESG topics. The engagement outcomes was useful in strategising management approaches for priority material topics. SKF Group's sustainability framework also involves extensive stakeholder collaboration for promoting sustainable development for all.

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

Through Company's CSR policy, have identified the disadvantaged, vulnerable and marginalised stakeholders in the surrounding communities, including children, women, and unemployed youths. We conduct various workshops, counselling sessions, impact studies during which the grievances and concerns of the communities are identified and resolved. In addition, regular meetings are conducted with our implementation partners for addressing the concerns of CSR beneficiaries. Addition, SKF India promotes diversity and inclusion for underprivileged workforce including women and differently abled through training and skill development, inclusive and flexible work environment, parental leave policies, etc.

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:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	743	743	100%	743	743	100%
Other than permanent	459	459	100%	202	202	100%
Total Employees	1202	1202	100%	945	743	100%
Workers						
Permanent	958	958	100%	919	919	100%
Other than permanent	2184	2184	100%	2,350	2,350	100%
Total Workers	3142	3142	100%	3,269	919	100%

Business Responsibility and Sustainability Reporting (contd.)

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

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	743	0	0%	743	100%	743	0	0%	739	100%
Male	606	0	0%	606	100%	626	0	0%	626	100%
Female	137	0	0%	137	100%	117	0	0%	117	100%
Other Permanent than	459	0	0%	459	100%	202	9	4%	193	96%
Male	347	0	0%	347	100%	152	8	5%	144	95%
Female	112	0	0%	0%	100%	50	1	2%	49	98%
Workers										
Permanent	958	0	0%	958	100%	919	0	0%	919	100%
Male	955	0	0%	955	100%	918	0	0%	918	100%
Female	3	0	0%	3	100%	1	0	0%	1	100%
Other Permanent than	2,184	0	0%	2184	100%	2,350	1,392	62%	839	38%
Male	1,980	0	0%	1980	100%	265	2,062	90%	204	10%
Female	204	0	0%	204	100%	85	85	100%	0	0%

3. Details of remuneration/salary/wages

a) Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	21,737,901	1	655,000
Key Managerial Personnel	4	12,113,970	0	0
Employees other than BoD and KMP	607	1,820,468	137	1,441,329
Workers	953	862,455	3	499,214

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages (Employee)	6.14%	3.14%
Gross wages paid to females as % of total wages (Worker)	0.17%	0.05%

Note: SKF has a diverse network of third-party workers, primarily female workers contracted through third party contractors and the respective share is given below

Contractor

FY	FY 2023-24	FY 2022-23
% of gross wage to Female wages	24.46%	19.40%

Business Responsibility and Sustainability Reporting (contd.)

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)

SKF India's Sustainability team manages disclosures related to human rights due diligence. They also actively engage with suppliers through meetings to raise awareness of human rights issues within their supply chain. SKF endorses both the Global Compact and the Universal Declaration of Human Rights, highlighting its dedication to upholding fundamental human rights principles. Additionally, SKF adheres to the International Labour Organisation's (ILO) Declaration concerning multinational companies and works to comply with the OECD Guidelines for Multinational Enterprises. These frameworks serve as guiding principles for SKF in its efforts to mitigate human rights risks and promote responsible business practices across its operations. Employees are empowered to raise concerns regarding human rights through various established channels, as detailed in Section A, Principle 3 of this report.

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

SKF India offers multiple channels for employees to raise grievances related to discrimination. Employees can approach the HR Manager, Factory Manager, or Director HR individually or through the union. The Company's responsible sourcing team proactively mitigates social risks within the supply chain through CoC audits, supplier sustainability assessments, identifying issues such as missing employment contracts, gender-based wage disparities, unpaid overtime wages, and withheld employee benefits like leave pay.

SKF India is committed to fostering a value chain that respects human rights across all employee categories, including direct, indirect, payroll, and contractual workers.

SKF India requires its suppliers to uphold ethical standards as outlined in the Supplier Code of Conduct. This code addresses critical aspects such as child labor, forced labor, discrimination, disciplinary practices, working hours, legal compensation, and worker health and safety practices.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	3	2	The Company has taken necessary action to resolve the pending actions
Discrimination at workplace	0	0	Nil	0	0	
Child Labour	0	0	Nil	0	0	
Forced Labour/Involuntary Labour	0	0	Nil	0	0	
Wages	0	0	Nil	0	0	
Other human rights related issues	0	0	Nil	0	0	

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

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	3
Complaints on POSH as a % of female employees / workers	0	3
Complaints on POSH upheld	2	1

Business Responsibility and Sustainability Reporting (contd.)

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

SKF India fosters a workplace culture of fairness and equal opportunity, actively promoting gender parity. We encourage employees at all levels to report any grievances or potential social risks, such as breaches of the code of conduct or unethical behavior. SKF India prioritises whistleblower protection and takes a zero-tolerance stance against retaliation or harassment of those who report concerns. Multiple reporting channels exist, including email access, to facilitate employee and worker reporting. Concerns are escalated to senior executives, including the audit committee, for preliminary investigations. Based on the grievance resolution process guidelines, appropriate actions are then taken.

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

SKF India recognizes our responsibility to respect human rights. This commitment translates into a safe and healthy work environment, free from discrimination, and promotes diversity across the organization. We have integrated human rights clauses into its business agreements and contracts. Signing of CoC is a prerequisite for all the contracts which takes care of the human rights issues. This collaborative approach enables active efforts to combat child and forced labor, as well as all forms of harassment.

10. Assessments for the year:

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

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

Not Applicable

There were no significant risk/concerns identified during the assessments.

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	Unit	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	GJ	109,008	99,241
Total fuel consumption (B)	GJ	0	0
Energy Consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	109,008	99,241
From non-renewable sources			
Total electricity consumption (D)	GJ	134,964	142,571
Total fuel consumption (E)	GJ	9,684	
Energy Consumption through other sources (C)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	144,648	151,510
Total energy consumed (A+B+C+D+E+F)	GJ	253,656	250,751
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ/Mn INR	5.55	5.82
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/Mn INR	116.33	121.99

Business Responsibility and Sustainability Reporting (contd.)

Parameter	Unit	FY 2023-24	FY 2022-23
Energy intensity in terms of physical output (per thousand bearings)	GJ/1000 bearings	1.60	1.73
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 20.96

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 - No

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.
Not Applicable

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	9,535	7,585
(iii) Third party water	267,805	291,414
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	277,340	298,999
Total volume of water consumption (in kilolitres)	277,340	298,999
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	6.07	6.95
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total water consumption / Revenue from operations adjusted for PPP)	127.22	145.67
Water intensity in terms of physical output (per 1000 bearings)	1.75	2.06
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 20.96

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 - No

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA

Business Responsibility and Sustainability Reporting (contd.)

Parameter	FY 2023-24	FY 2022-23
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

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 - No

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

Yes, SKF has implemented a mechanism for Zero Liquid Discharge (ZLD) as part of our commitment to prioritising environmental sustainability. At all of our units, we have installed Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) to treat wastewater effectively. The treated water from these plants is then repurposed for gardening purposes.

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Metric tonnes	7.99	7.97
SOx	Metric tonnes	0.13	0.11
Particulate matter (PM)	Metric tonnes	0.50	0.54
Persistent organic pollutants (POP)	Metric tonnes	NIL	NIL
Volatile organic compounds (VOC)	Metric tonnes	NIL	NIL
Hazardous air pollutants (HAP)	Metric tonnes	NIL	NIL
Others – please specify	NA	NA	NA

*Figures for FY 2022-23 have been restated due to change in methodology to enable comparability of information for FY 2023-24.

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 - No

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

Parameter	Unit	FY 2023-24	FY 2022-23
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 tonnes of CO ₂ equivalent	2,176	1,783
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 tonnes of CO ₂ equivalent	26,805	28,316**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ /Rupee of turnover	0.63	1.12
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*	tCO ₂ /Rupee of turnover adjusted to PPP	13.20	23.47
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ /1000 bearings	0.18	0.20
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 20.96

**Figure of Scope 2 emissions for FY 2023 has been restated as a revised approach of calculation is taken and the reference source of emission factors has been reconsidered to maintain comparability and uniformity in the disclosure.

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 - No

Business Responsibility and Sustainability Reporting (contd.)

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

We are committed to achieving Net Zero emissions for our manufacturing sites by 2030. To reach this ambitious goal, we have implemented several initiatives aimed at transitioning from thermal energy sources to renewable energy. Key among these initiatives is our adoption of Power Purchase Agreements (PPA), which enable us to purchase renewable energy from off-site sources. We are also working on several energy efficiency projects like compressors, heat treatment, central utility systems & grinding operations efficiency improvement. These strategic measures are critical in reducing our carbon footprint and supporting global sustainability efforts.

Share of Renewable Energy:

	FY 2023-24
Pune	35%
Bangalore	95%
Haridwar	Under Progress

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

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	74.03	76.4
E-waste (B)	5.52	13.3
Bio-medical waste (C)	0	0.007
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	3,562.43	3,122
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,024.70	2,538.5
Total (A+B + C + D + E + F + G + H)	5,666.68	5,750
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.12	0.13
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	2.51	2.72
Waste intensity in terms of physical output (per 1000 bearings)	0.035	0.039
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i) Recycled	3,442.34	3,435.6
ii) Re-used	0	0
iii) Other recovery operations (Co processing)	0	232.0
Total	3,442.34	3,667.6
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	1,918.98	1,666.7
ii) Landfilling	305.35	417.2
iii) Other disposal operations	0	0
Total	2,224.33	2,082.9

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 20.96

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.

We have undergone the CII greenco assessment last year with silver rating. Waste management was one out of the 10 parameters of the evaluation.

Business Responsibility and Sustainability Reporting (contd.)

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

- a. We are deeply committed to waste management and sustainability, beginning with rigorous waste segregation at the source to maximize diversion from landfills. For non-hazardous waste, we ensure 100% recycling through partnerships with authorized recyclers, guaranteeing that these materials are reprocessed and reintroduced into the supply chain. In the case of hazardous waste, we strictly adhere to all government regulations and guidelines. Our approach prioritizes diverting as much of this waste as possible from landfills by either recycling or repurposing it through waste-to-energy initiatives. These efforts demonstrate our dedication to minimizing environmental impact and promoting a circular economy.
- b. Our commitment to sustainability extends beyond managing waste generated within our campus to actively recovering waste from the broader environment that results from our business activities. Last year, we successfully collected and recycled over 450 metric tons of plastic waste associated with our product packaging. This significant effort underscores our dedication to environmental stewardship and our proactive approach to addressing plastic pollution. By recovering and recycling post-consumer plastic waste, we not only mitigate the environmental impact of our products but also contribute to a cleaner and more sustainable planet.

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

SKF doesn't have any operations in ecologically sensitive areas.

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

Not Applicable

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

Yes, SKF is compliant with Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules.

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

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

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	9535	7585
(iii) Third party water	267805	291414
(iv) Seawater / desalinated water	0	
(v) Others	0	
Total volume of water withdrawal (in kilolitres)	277340	298999
Total volume of water consumption (in kilolitres)	277340	298999
Water intensity per rupee of turnover (Water consumed / turnover)	6.07	6.95
Water intensity (optional) – the relevant metric may be selected by the entity	138.88	159.01
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil

Business Responsibility and Sustainability Reporting (contd.)

Parameter	FY 2023-24	FY 2022-23
(ii) Into Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

Yes. For bangalore the This is water balance study has been done with the help of EY and projects related to water neutrality has been initiated.

Pune & Haridwar plant water neutrality projects shall be initiated in 2024-25.

2. With respect to the ecologically sensitive areas reported at Question 11 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.

Not Applicable

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Net Zero	https://www.skf.com/group/organisation/sustainability	Emission reduction

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

Yes, we have a comprehensive business continuity plan in place to ensure the seamless continuation of operations during emergencies. Our team includes trained professionals dedicated to disaster management, and we conduct regular trainings, mock drills, and fire drills to prepare for potential disaster scenarios. We have identified various emergencies, such as fire, flood, food poisoning, spills, vehicular accidents, job-related accidents, and natural disasters, and have developed strategic measures to ensure safety and business continuity in each situation. Our documented plan is reviewed at least once a year, and we have clearly defined roles and responsibilities to mitigate emergencies effectively.

5. 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 part of our commitment to environmental sustainability, we take significant measures to mitigate adverse impacts arising from our value chain. Our Company adheres to ISO 14001 standards, ensuring compliance and effective management of natural resources.

Additionally, SKF India is dedicated to achieving LEED certification for all our new factories and offices. This certification reflects our commitment to sustainable practices and environmental stewardship. By implementing LEED-certified buildings, we aim to minimise our carbon footprint and promote energy efficiency in our operations.

Moreover, as a responsible producer, we actively engage with our suppliers to promote sustainable development and reduce environmental impacts throughout our supply chain. We conduct regular supplier audits to assess environmental performance, and appropriate actions are taken to address any potential risks or non-compliance issues.

SKF also conducts trainings on net zero and carbon foot printing assisted by third party.

Business Responsibility and Sustainability Reporting (contd.)

Overall, these initiatives demonstrate our proactive approach to environmental stewardship and our ongoing efforts to minimise adverse environmental impact across our value chain.

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.

13

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	Confederation of Indian industry	National
2	Indian Wind Turbine Association	National
3	Textile Machinery Manufacturer Association	National
4	Indian Machine Tools Manufacturers Association	National
5	Swedish Chambers of Commerce	National
6	Condition Monitoring Society of India	National
7	Bangalore Chamber of Industry and Commerce	State
8	Institute of Internal Auditors	National
9	National Safety Council	National
10	Quality Circle Forum of India	National
11	International Chamber of Commerce	National

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.

NIL

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

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:

Sr. No.	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 INR)
Not Applicable						

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

At SKF, we have established multiple mechanisms to receive and address grievances from the community. Beneficiaries can easily file grievances by sending an email to our dedicated address, socialconnect@skf.com. Additionally, we have installed feedback and suggestion boxes at relevant offices, schools, and centres to provide an accessible avenue for submitting grievances.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	40.94%	38.69%
Directly from within India	84.56%	84.67%

Business Responsibility and Sustainability Reporting (contd.)

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

Location	FY 2023-24	FY 2022-23
Rural	0	0
Semi-urban	0	0
Urban	0.25%	0.25%
Metropolitan	99.75%	99.75%

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):

Not Applicable

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

S. No.	Aspirational District	Aspirational District	Amount Spent (In INR)
1	Bihar	Muzaffarpur	INR 6,09,400
2	Bihar	Sitamarhi	INR 6,09,400
3	Uttarakhand	Haridwar	INR 96,10,681
4	Maharashtra	Osmanabad	INR 21,50,292
5	Jharkhand	West Singhbhum	INR 33,71,688

3. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Education – WeGyaan	17268	100%
2	Education-Udaan	236	100%
3	Skill Development-YES	1833	90%
4	Environment – Water Sustainability	36353	80%
5	Others-Sports	18	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.

SKF India leverages customer feedback to continuously improve products and services. We have a mechanism to collect customer complaints in the form of Technical, Sales & Delivery related complaints Customer care, and a website for customers to raise their concerns. SKF prioritizes timely resolution of all customer complaints and inquiries.

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

	As a percentage of total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Business Responsibility and Sustainability Reporting (contd.)

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

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy						
Advertising						
Cyber security						
Delivery of essential services		NIL			NIL	
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

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

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

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.

The growing prevalence of information security threats, heightened customer awareness, and evolving regulatory requirements for data protection have prompted SKF India to prioritise robust due diligence practices. These practices aim to prevent customer data loss.

SKF India leverages a comprehensive Risk Management Policy. This policy assesses and identifies potential risks across various areas, including financial, operational, sectoral, sustainability, information security, cyber security, and any other emerging risks. The Risk Management Committee actively identifies additional potential threats. In addition, Risk and Security Assessment connecting to integrated security architecture drives the management of cyber risks. This assessments are also extended to suppliers and partners.

To mitigate information security risks, cyber security risks, and data privacy risks, SKF India is committed to the ongoing implementation of its Information Security Program. This program encompasses a set of controls outlined within SKF's Information Security Management System (ISMS). In 2023, Information security is merged with Group Infrastructure & Security to drive the effective implementation of controls. We have implemented the security platforms for security monitoring of workplace, on premise/cloud server environments, network, and identities through SKF's landscape including events and alerts, collecting data for asset management repository, and enabling security resolution in SKF environments. The program team implemented a Security Information and Event Management and Security Incident Response for SKF to cover the entire SKF estate.

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 recorded during the reporting year.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches:
0
- Percentage of data breaches involving personally identifiable information of customers:
Nil
- Impact, if any, of the data breaches:
Nil