

# BHARAT FORGE

July 17, 2023

To,

**BSE Limited,**  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
**BSE SCRIP CODE – 500493**

**National Stock Exchange of India Ltd.,**  
'Exchange Plaza',  
Bandra-Kurla Complex, Bandra (East)  
Mumbai- 400 051  
Symbol: **BHARATFORG**  
Series: **EQ**

Dear Sir/Madam,

**Sub: Business Responsibility and Sustainability Report for the financial year 2022-23**

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report ("**BRSR**") for the financial year 2022-23 which forms an integral part of the Annual Report of the Company for the financial year 2022-23.

The same is also available on the Company's website at the following link:  
<https://www.bharatforge.com/investors/agm>

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Bharat Forge Limited**

**Tejaswini Chaudhari**  
**Company Secretary & Compliance Officer**

Encl: As above



**KALYANI**

# Business Responsibility & Sustainability Reporting

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L25209PN1961PLC012046
2. Name of the Listed Entity	Bharat Forge Limited
3. Year of Incorporation	1961
4. Registered office address	Mundhwa, Pune Cantonment, Pune - 411 036, Maharashtra, India.
5. Corporate address	Mundhwa, Pune Cantonment, Pune - 411 036, Maharashtra, India.
6. E-mail	secretarial@bharatforge.com
7. Telephone	+91-20-67042777
8. Website	www.bharatforge.com
9. Financial year for which reporting is being done	FY 2022-23
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE)/ BSE Limited (BSE)
11. Paid-up Capital	931.27 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Mr. Arularasu K, Vice President, Mobile: +91 7391901050/Telephone: +91 020-67043173/Email ID: Arularasu.K@kalyani.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on Standalone basis.

### II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the Entity
1.	Manufacturing	• Metal & Metal Products	94

#### 15. 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.	<ul style="list-style-type: none"> <li>Steel Forgings</li> <li>Finished Machined Crankshafts</li> <li>Front Axles assembly and components</li> </ul>	25910 3099	94

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	5	8	13
International	0	0	0

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

##### a. Number of locations

Locations	Number
National (No. of States & Union Territories)	21
International (No. of Countries)	31

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

58.90%

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

Bharat Forge is a global leader in metal forging and serves several sectors including Automotive, Railways, Aerospace, Defence, Marine, Oil & Gas, Power, Construction and Mining. Some of BFL's largest customers include Daimler Group, VW Group, Meritor and Dana etc. The Company also has extensive collaboration with major truck manufacturers. Being the world's largest forging Company and amongst one of the best aerospace and automotive forging Companies; the Company has transcontinental presence spread across India, Germany, Sweden, France and North America. BFL is also a leading supplier of various components for the aviation sector making it a renowned name amongst aerospace forging companies in India and around the world.

### IV. Employees

#### 18. 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)
<b>EMPLOYEES</b>						
1.	Permanent (D)	2478	2436	98.31	42	1.69
2.	Other than Permanent (E)	352	341	96.88	11	3.12
3.	Total employees (D + E)	2830	2777	98.13	53	1.87
<b>WORKERS</b>						
1.	Permanent (F)	1435	1434	99.93	1	0.07
2.	Other than Permanent (G)	4223	4223	100	0	0
3.	Total Workers (F + G)	5658	5657	99.98	1	0.02

### b. Differently abled employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
<b>DIFFERENTLY ABLED WORKERS</b>						
1.	Permanent (F)	0	0	0	0	0
2.	Other than Permanent (G)	0	0	0	0	0
3.	Total differently abled Workers (F + G)	0	0	0	0	0

### 19. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	14	2	14.29%
Key Management Personnel*	21	1	4.76%

\*Note: Key Management Personnel includes Sr. Vice President and above

### 20. Turnover rate for permanent employees and workers

	FY'23 (Turnover rate in current FY)			FY'22 (Turnover rate in previous FY)			FY'21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.37%	21.95%	10.56%	6.94%	30.23%	7.96%	8.49%	33.04%	8.16%
Permanent Workers	8.16%	0 %	8.16%	14.07%	0%	14.07%	1.03%	0%	1.03%

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

### 21. a. Name of the holding/subsidiary/associate companies/joint ventures (A) –

Please refer to Form AOC-1 annexed to the Financial Statements of Annual Report for the above information.

The Company's subsidiaries, associates, and joint venture companies do not participate in its Business Responsibility initiatives.

## VI. CSR details

### 22. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

- ii. Turnover: ₹ 75,727.12 million
- iii. Net worth: ₹ 76,999.99 million

## 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 (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		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 <a href="https://www.bharatforge.com/contact-us/contact">https://www.bharatforge.com/contact-us/contact</a>	0	0		0	0	
Investors (other than shareholders)	NA	NA	NA		NA	NA	
Shareholders	Yes As per SEBI Listing Regulations.	0	0		1	0	
Employees and workers	Yes <a href="http://bflapp.bharatforge.com/hronline/Pages/GrievancePolicy.aspx">http://bflapp.bharatforge.com/hronline/Pages/GrievancePolicy.aspx</a>	0	0		0	0	
Customers	Yes <a href="https://www.bharatforge.com/contact-us/contact">https://www.bharatforge.com/contact-us/contact</a>	113	3	Action taken against 3 complaints & are under monitoring stage.	92	2	All complaints are closed
Value Chain Partners	Yes <a href="https://www.bharatforge.com/contact-us/contact">https://www.bharatforge.com/contact-us/contact</a>	0	0		0	0	

Note: The customer complaints received are attributable to Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

### 24. 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	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
1	Disaster recovery	Risk	<ul style="list-style-type: none"> <li>Business interruption due to natural calamities like earthquakes, cyclones, floods, etc.</li> <li>Inadequate disaster recovery planning</li> <li>Business Interruption due to COVID-19</li> </ul>	<ul style="list-style-type: none"> <li>Adequate protection against calamities including appropriate insurance</li> <li>Introduced additional mitigation to overcome interruptions due to pandemic situations</li> <li>Speed to market</li> </ul>	Disruption to business operations leads to negative financial implication

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
2	Health, safety and environment	Risk	<ul style="list-style-type: none"> <li>Non-compliance with safety measures by employees</li> <li>Non-awareness of the hazardous nature of chemicals</li> <li>Not following COVID-19 safety measures.</li> </ul>	<ul style="list-style-type: none"> <li>Strict adherence to BBS (behaviour-based safety system)</li> <li>Focus on reducing the generation of effluents and arresting at the source</li> <li>Detailed SOP for COVID-19, employee training &amp; adherence followed strictly.</li> <li>Medical check-up, vaccination drive as per Govt. Regulations</li> <li>Encouraging work from home &amp; multitasking industry 4.0, use of digital technology</li> </ul>	Incidents impact employee morale and business reputation leading to a negative financial implication
3	Climate change	Opportunity	The potential carbon routes for reducing GHG emissions offer distinct operational and energy supply opportunities.	<ul style="list-style-type: none"> <li>Clean energy integration in existing electric networks.</li> <li>Investment of capital in assets that will serve diversified electricity and fuel retrofitting on the energy supply system.</li> </ul>	Initiatives taken around climate change have a positive implication towards business
4	Intellectual property	Risk	<ul style="list-style-type: none"> <li>Leakage of confidential information</li> <li>IP rights clashes can happen in collaborative research projects.</li> <li>IP infringement actions from outside firms.</li> </ul>	<ul style="list-style-type: none"> <li>Patent filing,</li> <li>Regular patent awareness sessions</li> <li>Consultation with experienced patent attorneys,</li> <li>Data exchange with vendors/ customers only through secured mode,</li> <li>Periodic infosec audits,</li> <li>Entering into NDA with parties for exchanging information,</li> <li>Antivirus upgradation.</li> </ul>	Impacts the brand reputation in the industry thereby leading to financial loss
5	Innovation	Risk	<ul style="list-style-type: none"> <li>Risk of better solutions that meet new requirements, technological advancements, upgradation or existing market needs.</li> </ul>	<ul style="list-style-type: none"> <li>Structured technology development projects.</li> <li>New focus areas are identified to develop future capability needs.</li> <li>Focus on light weighting and EV.</li> </ul>	Innovation in the industry may impact the business negatively if not considered immediately
6	IT data centre & far site disaster recovery (DR)	Risk	<ul style="list-style-type: none"> <li>Near site DR is available. Far site DR is proposed.</li> <li>Risk of inadequate data centre &amp; far sight DR</li> </ul>	<ul style="list-style-type: none"> <li>The disaster recovery (DR) strategy is being updated continuously.</li> <li>Hosted DR proposal is in review with management.</li> </ul>	Business continuity gets impacted leading to financial loss
7	Training and education	Opportunity	<ul style="list-style-type: none"> <li>Skilled employees and workers form an asset to the Company. The highly trained employees and workers perform their tasks more efficiently, in less time and with fewer chances of injury.</li> </ul>	<ul style="list-style-type: none"> <li>Providing a needs-based and innovative range of training courses, notably in forward-thinking fields of expertise like digitalisation</li> <li>Attracting and developing the right talent, ensuring professional development and personal well-being throughout their tenure with the Company.</li> <li>Providing programmes that are specifically designed for roles which require upgraded skills</li> </ul>	Consistent efforts would lead to a positive impact due to improvement in productivity, reduction in defects, etc.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate positive/negative implications)
8	Maintenance	Risk	<ul style="list-style-type: none"> <li>Risk of sub-optimal maintenance plan due to manual updating of ODR and MGR reports resulting in un-economical maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>Operational performance (OEE) &amp; maintenance (PM &amp; breakdown) are being monitored through SAP for all the major plants.</li> </ul>	Business continuity gets impacted leading to financial loss
9	Data protection	Risk	<ul style="list-style-type: none"> <li>Risk of confidential data leakage via USB drives/flash drives</li> <li>Exposure of Company data because of work from home and access to respective data</li> </ul>	<ul style="list-style-type: none"> <li>All privileged system accesses are reviewed periodically &amp; data leakage prevention (DLP) systems are implemented at these equipment</li> <li>Two-factor authentication provided through VPN for all remote Access.</li> <li>Restricted data access control &amp; data encryption to monitor work from home activities.</li> </ul>	Impacts the brand reputation in the industry thereby leading to financial loss
10	Pollution-free environment	Risk	<ul style="list-style-type: none"> <li>Failure to provide a safe working environment exposes BFL to compensation liabilities, sub-optimal productivity, loss of business reputation and other costs.</li> </ul>	<ul style="list-style-type: none"> <li>All the necessary pollution control norms for air, noise etc. are followed.</li> <li>Disposal of hazardous waste is monitored within permissible limits.</li> </ul>	Incidents impact business reputation leading to a negative financial implication
11	Sustained performance & quality	Risk	<ul style="list-style-type: none"> <li>Risk of customer being lost, in the course of business</li> <li>Dissatisfaction amongst the customer due to lack of attention, focus, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance customer satisfaction</li> <li>Coefficient - alignment in strategies, partner of choice</li> <li>Providing end-to-end solutions, dual shore business model</li> </ul>	Impacts the brand reputation in the industry thereby leading to financial loss
12	Brand risk/reputation	Risk	<ul style="list-style-type: none"> <li>Risk of threat or danger to the name or standing of business or entity.</li> <li>Actions involving the Company directly or indirectly may damage the brand name.</li> </ul>	<ul style="list-style-type: none"> <li>Worldwide brand-building activities are an ongoing process.</li> <li>Participation in exhibitions and trade fairs.</li> <li>Good reputation and relations with major trade companies.</li> </ul>	Impacts the brand reputation in the industry thereby leading to financial loss

## 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.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains

P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) ^	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No) {Refer Note 1}	Y	Y	Y	Y	NA	Y	Y	Y	Y
c. Web link of the policies, if available	Policies on HR, ISO, CSR, Insider Trading, Related Party Transactions are available on links such as: <a href="https://www.bharatforge.com/sustainability/governance/#top">https://www.bharatforge.com/sustainability/governance/#top</a>								
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 the national and international codes/certifications/labels/standards	Y <sup>a</sup>	Y <sup>b</sup>	Y <sup>d</sup>	Y	Y	Y <sup>c</sup>	Y	Y	Y

The Company has obtained 26 certifications under national and international codes/certifications/labels/standards

a. BFL Code of conduct

b. Quality systems -

- ISO 9001:2015 (QMS Certification for Non-Automotive Parts)
- IATF 16949:2016 (QMS Certification for Automotive Parts)
- AS 9100 Rev D (QMS Certification for Aviation Parts)
- API-20B & API-Q1 (American Petroleum Institute certification for Petroleum products)
- NABL: ISO/IEC 17025: 2017 (National Accreditation Board for Testing and Calibration Laboratories)
- Lloyd's Register (Approved for Closed Die C/S Forgings surface induction hardening of C/S)
- Pressure Equipment Directive 2014 and Pressure Equipment Safety Regulation 2016 Certificate (Lloyd's Register EC Certificate for CDFD and HFD Parts)
- Nadcap (Aerospace, Heat Treating, Measurement and Inspection, Metallic Materials Manufacturing, Non-Destructive Testing)
- ISO 27001:2013 (Data Security Management System)

c. ISO 14001:2015 (Environment Management System Certification)

d. ISO 45001:2018 (Safety Management System Certification)



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals, targets set by the entity with defined timelines, if any.	Bharat Forge Limited is committed to obtaining the ISO 50001 Energy Management Certification in the coming year.								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	Bharat Forge ESG Roadmap with specific commitments, goals and targets has been developed. This is being measured periodically & updates provided to Board's ESG Committee at regular intervals.								
<b>GOVERNANCE, LEADERSHIP AND OVERSIGHT</b>									
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) "ESG Committee at the board level oversees the ESG/Sustainability initiatives of the company. A roadmap with specific goals and targets is in place. Implementation of actions are monitored for their progress and updates shared with all the stakeholders on a periodical basis."									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	ESG Committee continuously evaluates the Company's social, environmental, governance, and economic obligations.								
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.	Yes. Bharat Forge has set up an ESG Committee, which continuously evaluates the Company's social, environmental, governance, and economic obligations. Further details regarding the ESG Committee are provided in the Corporate Governance section of the Annual Report.								

#### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee									Frequency (Annually/Half Yearly/ Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	The ESG Committee Meeting on May 13, 2022 discussed issues relating to ESG Ratings, Sustainability scores and recycled quantity. As suggested by the committee, the performance of the company against these issues is to be assessed by the ESG team.									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all legal responsibilities that are relevant to the principles, and in case of any non-compliances, the ESG committee looks into and rectifies the issues.									Annually								

#### 11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

Yes. The Policies on Quality, Safety, Health and Environment are subject to internal and external audits as part of the ISO Systems certification process and ongoing periodic assessments. Other policies are periodically evaluated for their efficacy through the Internal Audit mechanism. DQS India (Deutsch Quality Systems Private Limited) is the agency that carries out these assessments.

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

Not applicable as all principles are covered by respective policies

## 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	% Of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel (KMP)	Nil	Nil	Nil
Employees other than Board of Directors or KMPs	37	POSH, Stress Management, Team Building, Personal Effectiveness, Communication Skills, Effective Business Communication Skills	55.26%
Workers	37	POSH, Stress Management, Team Building, Personal Effectiveness, Communication Skills	20%

Note: KMPs include all employees at the Sr. Vice President level and above.

#### 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 Requirements) Regulations, 2015 and as disclosed on the entity's website):

No fines/penalties/punishments/awards/compounding fees/settlement amount were paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year

#### 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.

Yes, Bharat Forge has zero tolerance for any form of corruption or bribery and has an Anti-Corruption and Anti Bribery Policy which commands strict actions against anyone caught engaging in such unethical behaviour. The policy applies to all employees of the Company, its subsidiaries, joint ventures, and affiliates at all levels and in all locations around the world. In every sector of action, all employees are required to act with utmost honesty. All the Company's facilities must adhere to anti-bribery and anti-corruption laws and regulations. All agents, suppliers, contractors, and business partners are informed of the Company's zero-tolerance policy for bribery and corruption during the commencement of the Company's business

engagement with them. At the time of joining, new employees are given a copy of the policy to read. All existing associates are also informed of the policy. Trainings are conducted throughout the Company as part of the prevention, identification, and detection of anti-corruption issues.

Wherever it operates, the Company maintains the highest standards and does not tolerate bribery or corruption. The policy can be accessed at: [https://www.bharatforge.com/assets/pdf/investor/download/Anti-Corruption\\_and\\_Bribery\\_Policy.pdf](https://www.bharatforge.com/assets/pdf/investor/download/Anti-Corruption_and_Bribery_Policy.pdf)

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

No disciplinary action was taken by any law enforcement agency against any of the Company's Directors, KMPs, employees, or workers for the charges of bribery or corruption.

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

No complaints with regard to conflict of interest in the reporting period

**7. Provide details of any corrective action taken or under way 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

**LEADERSHIP INDICATORS**

**i. Awareness programmes conducted for value chain partners on any of the principles during the financial year.**

Total no of awareness programmes held	Topics/principles covered in training	% Of value chain partners covered (by value of business done with such partners) under the awareness programmes
2	Business Ethics and Sustainability	77.11%

**ii. 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, Bharat Forge has processes in place to avoid/manage conflict of interest involving members of the board and it is as per the Terms of Appointment of Directors to the Board. The Company's Code of Conduct states that the Board members and Senior Management of the Company are needed to abstain from discussion, voting, or otherwise influencing a decision on any matter in which they have or may have a conflict of interest; restrict themselves from serving as a Director of any Company that is in direct competition with the Company, or must take prior approval from the Company's Board of Directors before accepting such position.

**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 2022-23	FY 2021-22
Capex	₹ 3,006.26 million 3.97% of total revenue	₹ 3,783.65 million 5.89% of total revenue
R & D	₹ 581.72 million 0.8% of total revenue	₹ 577.99 million 0.9% of reveune

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

No, Bharat Forge does not yet have the exact protocols in place for sustainable sourcing, but the Company plans to introduce such procedures in the coming years. The Company being conscious of the role of sustainability in its business, screens all of its suppliers based on social and environmental criteria, and all of the Company's operations are reviewed on a regular basis to ensure that the sourced materials are handled responsibly.

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

Not Applicable

**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.**

Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle. The Company, however, has systems in place to recycle plastics (including packaging), e-waste, and hazardous waste in a safe manner. For the disposal of such waste, the Company contracts with authorised recyclers and files returns with the appropriate statutory bodies.

Also, the Company has optimised its processes to the point where the majority of the waste produced is recycled and reused in its operations. As a result, the amount of waste that leaves the Company is reduced.

**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.**

Applicable, we are sending the waste to the authorised recyclers who are registered with Pollution Control Board as waste processors under EPR regulations.

**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:**

The Company has not conducted any life cycle assessment for the products to date. However, it is planning to carry out the LCA for products in the coming years.

**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.**

Not Applicable. We are in the process of carrying out the Life Cycle Assessment in the coming year.

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

Indicate input material	Recycled or reused input material to total material	
	FY 2022-23	FY 2021-22
Water	26%	28%
Raw material	34%	32%

\* Quantity of Water & Raw Material has been updated for the previous year, to be in line with the definitions given in the Guidance note.

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

	FY '23 (Metric Tonnes)			FY '22 (Metric Tonnes)		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastic (Including Packaging)	-	145	-	-	96.00	-
E-Waste	-	8.57	-	-	5.55	-
Used Oil (Spent Oil) Liquid -Hazardous waste	-	191.42	-	-	196.22	-
Discarded Containers/Barrels (Solid) Nos.	-	16,272	-	-	17,207	-
Waste & Residues Containing Oil (Liquid)	-	341.702	-	-	387.29	-
MS Scrap/Scale/Bur/Flash (Solid)	-	1,06,370	-	-	81,240	-
incineration-spent bath Sludge/ ETP Sludge/Oily Cotton waste/ Paint Sludge	-	-	166	-	-	230.38
Landfilling after incineration-spent bath Sludge/ETP Sludge/Oily Cotton waste/Paint Sludge	-	-	-	-	-	-

\* Quantity of Recycled & Safely Disposed waste has been updated for the previous year, to be in line with definitions given in the Guidance note.

Since the product is directly supplied to the OEMs, the Company has limited 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:

Since the product is directly supplied to the OEMs, the Company has limited scope for reclaiming it at the end of its life cycle

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

**ESSENTIAL INDICATORS**

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	2,436	2,436	100	2,436	100	-	-	-	-	-	-
Female	42	42	100	42	100	42	100	-	-	-	-
<b>Total</b>	<b>2,478</b>	<b>2,478</b>	<b>100</b>	<b>2,478</b>	<b>100</b>	<b>42</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	341	341	100	341	100	-	-	-	-	-	-
Female	11	11	100	11	100	11	100	-	-	-	-
<b>Total</b>	<b>352</b>	<b>352</b>	<b>100</b>	<b>352</b>	<b>100</b>	<b>11</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	1,434	1,434	100	1,434	100			-	-	-	-
Female	1	1	100	1	100	1	100	-	-	-	-
<b>Total</b>	<b>1,435</b>	<b>1,435</b>	<b>100</b>	<b>1,435</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	4,223	4,223	100	4,223	100	-	-	-	-	-	-
Female	0	0	NA	0	NA	-	-	-	-	-	-
<b>Total</b>	<b>4,223</b>	<b>4,223</b>	<b>100</b>	<b>4,223</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 2. Details of retirement benefits for the current and previous financial year

All benefits as per various employment acts are given to employees

Benefits	FY '23 Current Financial Year			FY '22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y

### 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.

The Company's various locations, including the offices/premises, have been equipped with ramps, lifts, and handrails for stairwells to facilitate the movement of differently abled individuals. Thus, the Company's premises has been made access-friendly.

### 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.

Bharat Forge provides equal employment opportunities, without any discrimination on the grounds of age, colour, disability, marital status, nationality, race, religion, sex or sexual orientation. The Company strives to maintain a work environment that is free from any harassment based on the above considerations. This Equal Opportunities Policy is subject to applicable regulations, qualifications and merit of the individual.

The policy is available to the internal stakeholders on the Company's intranet platform.

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	-	-	-	-
Female	100%	-	100%	100%
<b>Total</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>100%</b>

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	
Other than Permanent Workers	
Permanent Employees	Yes
Other than Permanent Employees	

The Company has a Grievance Policy to give its employees a way to voice their concerns arising from employment. The Policy ensures that such grievances are handled quickly, in a fair and impartial manner by a Grievance Committee and in compliance with the Organisation's other policies. This comprises employee concerns about a supervisor's, another employee's or Management's behaviour, inaction, or proposed action in relation to them.

According to the policy's grievance redress system, the first step in resolving any problem is to communicate openly. An employee should seek informal resolution of any concern with his or her immediate supervisor first. If such informal dialogue fails to resolve the issue, and the employee believes his or her complaint has progressed to the level of a grievance, the employee may file a formal grievance as stated in this policy in order to seek a fair resolution.

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

Category	FY '23 Current Financial Year			FY '22 Previous Financial Year		
	Total employees/workers in the respective category (A)	No of Employees/workers in the respective category who are part of association/union (B)	% B/A	Total employees/workers in the respective category (C)	No of Employees/workers in the respective category who are part of association/union (D)	% D/C
<b>EMPLOYEES</b>						
Total Permanent Employees	2,478	0	0	2,552	0	0
Male	2,436	0	0	2,483	0	0
Female	42	0	0	39	0	0

Category	FY '23 Current Financial Year			FY '22 Previous Financial Year		
	Total employees/workers in the respective category (A)	No of Employees/workers in the respective category who are part of association/union (B)	% B/A	Total employees/workers in the respective category (C)	No of Employees/workers in the respective category who are part of association/union (D)	% D/C
<b>WORKERS</b>						
Total Permanent Workers	1,435	1,435	100	1,557	1,557	100
Male	1,434	1,434	100	1,556	1,556	100
Female	1	1	100	1	1	100

### 8. Details of training given to employees

Bharat Forge provided Online Health Awareness Sessions for the employees & their family members as a health and safety/wellness measure.

Category	FY'23					FY'22				
	Total (A)	On health and safety/wellness measures		On skill upgradation (Behavioral Training/Soft Skills Training)		Total (D)	On health and safety/wellness measures		On skill upgradation (Behavioral Training/Soft Skills Training)	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Male	2,777	1,750	63	1,430	51	2,483	2,200	89	1,161	47
Female	53	40	75	30	57	39	35	90	25	64
<b>Total</b>	<b>2,830</b>	<b>1,790</b>	<b>63</b>	<b>1,460</b>	<b>52</b>	<b>2,522</b>	<b>2,235</b>	<b>89</b>	<b>1,186</b>	<b>47</b>
<b>WORKERS</b>										
Male	1,434	700	49	296	21	1,556	500	32	700	45
Female	1	1	100	0	0	1	1	100	-	-
<b>Total</b>	<b>1,435</b>	<b>701</b>	<b>49</b>	<b>296</b>	<b>21</b>	<b>1,557</b>	<b>501</b>	<b>32</b>	<b>700</b>	<b>45</b>

\* Employees –No of employees includes other than permanent employees also.



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

Category	FY '23			FY '22		
	Current Financial Year			Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES						
Male	2,436	2,436	100	2,483	2,483	100
Female	42	42	100	39	39	100
<b>Total</b>	<b>2,478</b>	<b>2,478</b>	<b>100</b>	<b>2,552</b>	<b>2,552</b>	<b>100</b>
WORKERS						
Male	1,434	1,434	100	1,556	1,556	100
Female	1	1	100	1	1	100
<b>Total</b>	<b>1,435</b>	<b>1,435</b>	<b>100</b>	<b>1,557</b>	<b>1,557</b>	<b>100</b>

## 10. Health and safety management system:

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

Yes. Bharat Forge places great emphasis on maintaining and improving its employees' health and safety. Workplace safety of employees forms the foundation of the Company's strategy to attain sustainability. To ensure the safety of all, the Company has implemented comprehensive compliant protocols across all touch points.

Bharat Forge is committed to creating and maintaining a safe and healthy workplace in the organisation and the Company achieves this by developing and implementing its occupational health, safety, and environmental management system conforming to International Standards and driving excellence in operations and support functions.

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

While continuously employing measures to promote employee well-being and healthcare, a proper hazard identification risk management system has been put in place to ensure continuous improvement of occupational health and safety of the organisation.

Hazard Identification Risk Assessment (HIRA) is carried out regularly at all levels in the following six steps by a highly-skilled Process owner or a Qualified Safety coordinator well versed with details of all activities and Safety standards:

1. Pre-Assessment preparations
2. Pre-Assessment meeting with HSE Leaders
3. Conducting interviews
4. Walk-Round Tour/Quantification of Hazards
5. Evaluation of Hazard/Person/Severity Factors
6. Post Evaluation activity

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes. The Company has put in place Safety Observation and Near Miss Reporting System.

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

Yes. Bharat Forge believes in creating an environment for employees in which their financial needs are met beyond their salary. All of the Company's employees are offered a variety of health and wellness benefits, including medical insurance and accident insurance for the employee and his immediate family, which provides financial assistance in the event of an accident or serious illness. Apart from that, Bharat Forge offers coverage for dependent parents, periodic health checks, wellness programmes, as well as nutritious and subsidised food.

**11. Details of safety-related incidents**

Safety Incident/Number	Category	FY '23	FY '22
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.97	0.0
	Workers	0.50	0.13
Total recordable work-related injuries	Employees	7	0
	Workers	6	3
No. of fatalities (safety incident)	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	3	1

\* Contract Workers added in Workers category & figures updated for the previous year also.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

Bharat Forge considers employees as its most valued asset, and the Company prioritises their health and safety. The majority of its personnel are employed in manufacturing facilities. The Company has created extensive compliant measures at all touchpoints to safeguard everyone's safety in the workplace and to ensure a safe working environment. The Company has taken the following measures to assure a safe and healthy workspace:

1. Safety Policy, Competence, Communications system/policy, Insurance Systems, First Aid, Training, Occupational Health, Inspection Systems, Audits, Procurement, Contractors Control & Risk Assessments.
2. The Company has taken measures which are compliant with all statutory preventive healthcare and occupational health and safety requirements. In doing so, the Company strives to create, implement, and maintain a process for proactive hazard identification and determination of controls to eliminate or reduce risks to an acceptable level, as well as to identify the Risks and Opportunities that are relevant to the OH&S management system's intended outcomes.
3. The Company emphasises providing training on safety measures during induction to all new employees, including specific training such as working at height, confined space entry, refresher training, on-site emergency training to tackle contingent or urgent situations, and on-the-job training inclusive of safety topics.
4. A Safety Committee has been formulated to assist and collaborate with management and achieving objectives as outlined in the 'HSE Policy'. The Committee deals with matters concerning health, safety, and the environment and delivers practical solutions to problems encountered, promotes safety awareness amongst all workers, and undertakes educational, training, and promotional activities.

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

No complaints were made by any employee or worker on the working conditions and/or health and safety practices of the Company.

**14. Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & safety practices	Internal Safety Audit – 100%
Working Conditions	Internal Safety Audit – 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 and safety practices and working conditions.**

Bharat Forge tracks accident rates in all of its locations. The overall reduction in health and safety incidences is attributed to the strong commitment of both management and workers to ensure a safe working environment by adhering to the Company's set management approach and adopting a health and safety-first mindset in the execution of duties.

**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)**

Yes, Bharat Forge offers assistance in the event of a tragic occurrence, such as death, and has a death relief policy in place for its employees.

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

The Company takes great care to ensure that the statutory dues applicable are deducted and deposited by the value chain partners. The details are outlined in the Bharat Forge Supplier Code of Conduct. All supply chain partners must adhere to it in every way in order to support business responsibility principles and ideals of transparency and accountability.

**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 rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY '23 Current Financial Year	FY '22 Previous Financial Year	FY '23 Current Financial Year	FY '22 Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0
Contractors	3	1	1	0

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

Yes, Bharat Forge, as a desirable employer, provides future-oriented opportunities and the right environment for people to grow personally and contribute to the moulding of the future. Employees who are terminated by the Company before their customary retirement date or who accept voluntary redundancy in exchange for these benefits are eligible for termination benefits. The benefits are offered through the VRS scheme and include the monetary benefits too.

**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	77.11%
Working conditions	

**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**

In compliance with Bharat Forge's Supplier Code of Conduct, suppliers are assessed and monitored on the above mentioned topics. All suppliers have to accept the supplier Code of Conduct at the time of Vendor Registration, so that there is no risk. Health and safety topics are given high priority in this operation. The corporation recognises the significance of health and safety regulations in every business. As a result, the Company has offered its assistance in developing such policies for suppliers who do not have them.

**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**

Key stakeholders are identified on the basis of the material influence they have on the Company or on how they are materially influenced by the Company's corporate decisions and the consequences of those decisions.

**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), Others	Frequency of engagement (Annually/Half Yearly/Quarterly/ Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>Conferences, workshops, Publications, newsletters &amp; reports, online portals, employee surveys, Idea management, internal media</li> </ul>	Periodically	Inform about the important advances in the Company. Help the employees expand their knowledge in the industry. Getting employee feedback and resolving their issues.
		<ul style="list-style-type: none"> <li>One-on-one interactions</li> </ul>	Half Yearly	
		<ul style="list-style-type: none"> <li>Employee involvement in CSR activities,</li> </ul>	Quarterly	

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	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	No	<ul style="list-style-type: none"> <li>Annual report, sustainability report, press releases</li> <li>Investor presentations,</li> <li>Corporate website,</li> <li>Quarterly &amp; Annual results</li> <li>ESG calls</li> </ul>	Annually  Annually Periodically Quarterly Quarterly	Investors prefer to invest in the organisation that is socially and environmentally responsible.
Customers	No	<ul style="list-style-type: none"> <li>Interviews, personal visits, publications, mass media &amp; digital communications, plant visits</li> <li>Support programmes, social media,</li> <li>Conferences and events</li> </ul>	Weekly and Quarterly  Annually Monthly	Internal customers (Employees) <ul style="list-style-type: none"> <li>Feel motivated to get involved in CSR projects and serve the community</li> <li>Guided by the CSR Team</li> <li>Enhance employee volunteerism.</li> </ul> External customers – <ul style="list-style-type: none"> <li>Prefer to connect with the organisation that is socially &amp; environmentally responsible</li> </ul>
Suppliers & service providers	No	<ul style="list-style-type: none"> <li>Email Communication</li> <li>Supplier &amp; vendor meets</li> <li>Policies</li> <li>Official communication letters</li> <li>Supplier sustainability assessments</li> </ul>	Periodically Periodically Periodically Periodically  Annually	Supply Chain Management Practice
Business Partners	No	<ul style="list-style-type: none"> <li>Dialogue with sales organisations and coordinating units of importers</li> </ul>	Periodically	Provide service to present customers while increasing the potential for future growth.
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> <li>Official communication channels,</li> <li>Regulatory audits/ inspections</li> <li>Environmental compliance,</li> <li>Policy intervention,</li> <li>Good governance</li> </ul>	Monthly  Annually  Annually  Periodically Annually	They help and guide in terms of connecting with Govt. Schemes in the same area for increased effectiveness.
Communities		Need assessment, field visits, Focused group discussions had been conducted at the community level based on which stakeholder groups and locations got identified for CSR intervention. Please refer to the following link for information about the Company's community work: <a href="https://www.bharatforge.com/sustainability/corporate-social-responsibility">https://www.bharatforge.com/sustainability/corporate-social-responsibility</a>		

## 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.

Bharat Forge has established an ESG Committee at the Board level. The ESG committee is responsible for keeping the board informed about various developments and seeking inputs from the Directors. Continuous stakeholder engagement, combined with an in-depth assessment by the ESG committee, aids the organisation in aligning its business with ESG, allowing it to better serve its stakeholders.

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, Bharat Forge has always maintained a regular and proactive engagement with the Company's key stakeholders, allowing it to effectively work on its ESG strategies and be transparent about the outcomes. In response to current regulations and interactions with stakeholders, the Company performs periodic evaluations to update and reissue policies as needed.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups. Please refer to the following link for information about the Company's community work: <https://www.bharatforge.com/sustainability/corporate-social-responsibility>

## 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 '23 Current Financial Year			FY '22 Previous Financial Year		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent Employees	2,830	1,500	53	2,552	300	11.75
<b>WORKERS</b>						
Permanent Workers	1,435	4,00	28	1,557	609	39.11

2. Details of minimum wages paid to employees

Category	FY '23 Current Financial Year				FY '22 Previous Financial Year					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Permanent	2,478	0	0	2,478	100	2,552	0	0	2,552	100
Male	2,436	0	0	2,436	100	2,483	0	0	2,483	100

Category	FY '23 Current Financial Year					FY '22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Female	42	0	0	42	100	39	0	0	39	100
<b>Other than permanent</b>	352	0	0	352	100	368	0	0	368	100
Male	341	0	0	341	100	361	0	0	361	100
Female	11	0	0	11	100	7	0	0	7	100
<b>WORKERS</b>										
Permanent	1,435	0	0	1,435	100	1,557	0	0	1,557	100
Male	1,434	0	0	1,434	100	1,556	0	0	1,556	100
Female	1	0	0	1	100	1	0	0	1	100
<b>Other than permanent</b>	4,223	0	0	4,223	100	3,372	0	0	3,372	100
Male	4,223	0	0	4,223	100	3,372	0	0	3,372	100
Female	0	0	0	0	0	0	0	0	0	100

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

	Male		Female	
	Number	Median Remuneration/salary/wages of respective category in ₹ <sup>^</sup>	Number	Median Remuneration/salary/wages of respective category in ₹ <sup>^</sup>
Board of Directors (BoD) (Whole-time directors)	6	445.51	-	-
Key Managerial Personnel (other than BoD)	20	110.12	1	43.26
Employees other than BoD and KMP	2,410	9.23	41	8.11
Workers	1,434	8.10	1	7.32

<sup>^</sup> Remuneration mentioned above is in lakhs per annum

Note: \* Key Managerial Personnel includes Senior Management as per the Nomination and Remuneration Policy of the Company

### 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)

The Company has formulated a Human Rights Policy which states that the employees can address their complaints or grievances to the Human Resources department or the Senior Management. There shall be no retaliation or reprisal taken against any employee or associate who raises concerns in accordance with the policy. A committee may be formed or delegated to investigate the reported issues. The Committee

is responsible for evaluating the reported issues and ensuring that they are addressed and rectified. In collaboration with Senior Management, the Committee may also recommend a suitable resolution.

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

Bharat Forge recognises the important role that business can play in ensuring the long-term protection of human rights, and the Company is dedicated to upholding the human rights of its employees, communities, contractors, and suppliers in accordance with the International Bill of Human Rights, the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact.

The Company has formulated a Human Rights Policy which works in conjunction with the Grievance Policy to ensure that grievances are addressed promptly and effectively.

The mechanism works by following the instructions outlined below:

1. The employees/affiliates address their complaints or grievances or report instances to the Human Resources department/Senior Management. No reprisal or retaliatory action is taken against any employee/affiliate for raising concerns under this policy.
2. A committee is formed/designated to investigate the violations reported. The Committee evaluates the violations reported and ensures that the same is addressed and resolved. The Committee also, in consultation with the Senior Management, provides a suitable remedy.
3. The Company periodically undertakes human rights due diligence process for management and oversight/monitoring of the policy and identifies any shortcomings.

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

	FY '23 Current Financial Year			FY '22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	4	4	Redressal is in progress			
Discrimination at workplace						
Child labour					NIL	
Forced/Involuntary labour		NIL				
Wages						
Other human rights-related issues						

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

While dealing with the complaints as a part of the grievance redressal mechanism, every care is taken to conduct the enquiry in a peaceful manner for avoiding any stressful conditions. The entire process is carried out in a highly confidential manner. The Company has a Grievance Policy which states that



all members of the Grievance Committee and those entrusted with record keeping, as well as any staff member questioned about an issue, are bound by a duty of confidentiality at all times and must keep all paperwork and information exchanged in the process confidential. Harsh or insulting behaviour of anyone participating in or conducting grievance proceedings is not at all tolerated. Any such behaviour will be viewed as misconduct under the Organisation disciplinary policies and strict actions will be taken against such unethical behaviour.

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

Yes, human rights requirements form part of the Bharat Forge Supplier Code of Conduct. Suppliers are urged to respect internationally recognised human rights standards and to work towards them in all business activities within their own sphere of influence. Any forced or compulsory labour is prohibited. Following statements form a part of Bharat Forge Supplier Code of Conduct.

To be a part of the Company's value chain, the supplier must meet the following human rights requirements:

1. **Child Labour:** Only workers who meet the minimum employment age requirement in the country where they are working, may be hired by a Supplier. The Suppliers must comply with all the applicable labour laws, including those related to hiring, wages, hours worked, overtime and working conditions. The Suppliers are urged to formulate work-study programs and government-sponsored educational programs for the younger working section of society.
2. **Wages, Benefits and Working Hours:** Working hours, wages, overtime pay and other elements of compensation must comply with all applicable laws. Workers must be paid at least the minimum legal wage or a wage that meets local industry standards and will provide all legally mandated benefits. Workers should be paid annual leaves and holidays as per the applicable laws.
3. **Work Environment and Equal Opportunities/Anti-Discrimination:** Suppliers are obliged to refrain from any discrimination and to ensure equal employment. Supplier shall not discriminate against the employees, on the basis of nationality, colour, origin, ideology, religion, race, caste, creed, trade union or political activity, sexual orientation, age, sex, illness, disability, pregnancy or any medical condition. Suppliers' employees should be treated with dignity and the work environment should be free of all types of harassment, whether physical, verbal or psychological.

The Company's Supplier Code of Conduct can be viewed on the following link:

[https://www.bharatforge.com/assets/pdf/investor/download/Supplier\\_Code\\_of\\_Conduct.pdf](https://www.bharatforge.com/assets/pdf/investor/download/Supplier_Code_of_Conduct.pdf)

#### 9. Assessments for the year:

Bharat Forge has assessed 100% of its plants and offices by an external auditor who audit the statutory compliances in relation to the indicators mentioned below. The assessments are done on a quarterly basis.

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

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

All the plants and offices of the Company were found to be complying with the requirements and as a result, no corrective actions were required on the criteria stated above.

**LEADERSHIP INDICATORS**

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

Nil

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

Human rights due diligence is being covered as part of the other compliance audits presently. Exclusive Human rights due diligence is yet to be conducted. We are planning to take it up in the coming years.

**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?**

Yes

**4. Details on assessment of value chain partners:**

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	
Discrimination at workplace	
Child labour	77.11%
Forced labour/Involuntary labour	
Wages	

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

All suppliers have to accept the Bharat Forge's Supplier Code of Conduct at the time of Vendor Registration. All Critical Suppliers are assessed and monitored for compliance every year. No risks observed to date.

**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 '23 Current Financial Year	FY '22 Previous Financial Year
Total electricity consumption (A)	GJ	13,03,364	11,16,684
Total fuel consumption (B)	GJ	12,51,303	11,82,321
Energy consumption through other sources (C)	NA	NA	NA
Total energy consumption (A+B+C)	GJ	25,54,667	22,99,005
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ/₹ millions	33.74	36.75

**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.**

No

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

Parameter	FY '23 Current Financial Year	FY '22 Previous Financial Year
<b>Water Withdrawal by the Source (in kilolitres)</b>		
(i) Surface Water	8,44,253	5,50,452
(ii) Ground Water	1,84,317	2,09,914
(iii) Third Party Water	24,035	8,667
(iv) Sea Water/Desalinated Water	0	0
(v) Others - Recycled Water (ETP)	3,63,193	2,96,595
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)</b>	<b>10,52,605</b>	<b>7,69,033</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>14,15,797</b>	<b>10,65,628</b>
<b>Water intensity per rupee of turnover (Water consumed/turnover)</b>	<b>18.70 (KL/₹ millions)</b>	<b>17.03 (KL/₹ millions)</b>

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

Bharat Forge has effectively controlled the industrial wastewater generated by its activities, products, and services, and formulated waste management systems for handling wastewater properly. The Company makes the best utilisation of the wastewater treatment system and as a Zero Liquid Discharge (ZLD) plant, the Company is not discharging wastewater as well as treated water. ZLD is an approach to water treatment where all water is recovered and contaminants are reduced to solid waste. While many water treatment processes attempt to maximise the recovery of freshwater and minimise waste, ZLD is the most demanding target since the cost and challenges of recovery increase as the wastewater gets more concentrated. Salinity, scaling compounds, and organics all increase in concentration, which adds costs associated with managing these increases. ZLD is achieved by stringing together water treatment technology that can treat wastewater as the contaminants are concentrated. Since Bharat Forge has installed ETP & STP plant to treat its generated wastewater, the treated wastewater is recycled for use to reduce the consumption of freshwater.

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

Parameter	Unit	FY '23 Current Financial Year	FY '22 Previous Financial Year
NOx	Mg/Nm <sup>3</sup>	12.10	14.6
SOx	mg/Nm <sup>3</sup>	9.32	11.62
Particulate matter (PM) (Less than 2.5 Micron)	mg/Nm <sup>3</sup>	20	22.6
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	-	-	-

**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, Mahabal Enviro Engineers Pvt Ltd.

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

Parameter	Unit	FY '23 Current Financial Year	FY '22 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	79,276	70,304
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,02,362	1,68,568
Total Scope 1 and Scope 2 emissions	tCO <sub>2</sub> e	2,81,668	2,38,872
Total Scope 1 and Scope 2 emissions (per million rupee of turnover)	tCO <sub>2</sub> e/ ₹ millions	3.719	3.819

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

Bharat Forge is constantly improving and innovating ways to reduce consumption and the resulting emissions in the Company's manufacturing processes. The Company has taken the following projects in an effort to reduce Green House Gas emissions:

Steps taken for utilising alternate sources of energy in FY 2022-23

- To reduce GHG emissions, the Company has utilised 74,906 MWh of solar electricity and 30,987 MWh of electricity from wind-based turbines. It is part of decarbonisation plan which includes the

improvement of the energy mix towards the adoption of renewable energy and the replacement of fossil dense fuels with those having comparatively lesser emissions.

- b. Replacement of Oils (Furnace oil, LDO, Biodiesel & SKO) with cleaner fuels (PNG & LPG) in furnace operations.
- c. Conversion of Diesel-operated forklifts to electrically-operated forklifts. Planned to utilise renewable energy for these forklifts to make them "Green Forklifts" in the near future.
- d. VFD installation in compressor operation.
- e. Implementation of compressor ring main system.
- f. Common controller for all six compressors.
- g. High efficient quench pump for induction hardening machine.
- h. Installation of VFD in ventilation blower.
- i. Application of Furnace skin coating for heat loss reduction.
- j. Idle time reduction in Hydraulic power pack Pump.
- k. High-efficient pump for coolant circulation in the chiller.
- l. Idle time reduction in cooling tower pumps.
- m. Replacement of Metal halide lamps with energy efficient LEDs.
- n. Implementation of motion sensors in lighting.
- o. Energy Efficient modular heater for 8000 T press line
- p. Installation of Automatic Power Factor correction panel
- q. Replacement of conventional burners with high velocity burners for HT Iso-Annealing furnaces leading to a reduction in energy consumption by 15%
- r. Application of Pyro bloc insulation in continuous furnaces leading to a reduction of consumption by 170 kWh/MT
- s. Addition of a recuperative system for the combustion air of the furnace leading to a reduction of consumption by 60 kWh/MT

Energy saving projects mentioned in points b to p contributed to a reduction in oil consumption by 5,850.6 KL, electricity consumption by 3,589 MWh/Annum & emissions by 9,609 tCO<sub>2</sub>e.

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

Parameter	FY '23 Current Financial Year	FY '22 Previous Financial Year
<b>Total Waste Generated in Metric Tonnes</b>		
Plastic waste <b>(A)</b>	145	113.52
E-waste <b>(B)</b>	8.57	5.55
Bio-medical waste <b>(C)</b>	0.013	0.016
Construction and demolition waste <b>(D)</b>	0	0
Battery waste <b>(E)</b>	5.74	3
Radioactive waste <b>(F)</b>	0	0

Parameter	FY '23 Current Financial Year	FY '22 Previous Financial Year
<b>Hazardous waste. Please specify, if any. (G)</b>		
G. 1 (Cotton Waste (Qty.) kg Chemical Sludge from ETP, Paint Sludge/Residues, Spent Bath Sludge)	166	230.38
G. 2 Used/Spent Oil (Liquid)-HW	191.42	196.22
G. 3 Discarded Containers/Barrels (Solid)-HW	16,272	17,207
G. 4 Waste & Residues Containing Oil (Liquid)-HW	341.702	387.29
<b>Non-hazardous Waste generated(H)</b>		
H.1 MS Scrap/Scale/Bur/Flash (Solid)	1,06,370	81,240
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1,07,228.44 Metric Tonnes and 16,272 Nos</b>	<b>82,175.9 Metric Tonnes and 17,207 Nos</b>

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	1,07,062.43	81,945.58
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>1,07,062.43</b>	<b>81,945.58</b>

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	166.013	230.396
(ii) Landfilling	0	0
<b>Total</b>	<b>166.013</b>	<b>230.396</b>

\* Quantity of Recycled & Re-used waste has been updated for the previous year, to be in line with the definitions given in the Guidance note.

**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

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.**

Bharat Forge has made waste management a priority by incorporating the 3R waste management principles into Company decision-making. Using the principles of the solid waste management hierarchy, the Company encourages its teams to innovate and divert waste. The Company is constantly working to reduce hazardous and non-hazardous waste in its manufacturing sites. Throughout the year, the Company has implemented measures such as recycling waste oil via a change in disposal pathway, which reduces hazardous waste load and recycling ETP sludge, which reduces disposal to landfills.

In order to better understand the Company's waste profile, its sites mapped their waste generation and disposal methods. In addition, the Company improved its data collection systems and incorporated waste volumes into its monthly environmental dashboard. These activities enabled the Company to identify the three primary barriers preventing its facilities from diverting waste from landfills: cost, regulatory challenges, and lack of resources.

### Managing Hazardous Waste

Hazardous wastes are handled as per the requirements and a waste registry is maintained. They are transported to the relevant authorised agencies for proper handling. Bharat Forge complies with all MPCB rules and regulations on how these products must be properly stored, handled, shipped, or recycled to limit exposure potential as well as all international standards that apply to the Company in the locations where it operates.

### Managing Non-Hazardous Waste

For non-hazardous waste, BFL's priority is to reduce waste at the source by purchasing and bringing into its facilities only what is needed. The Company has found solutions requiring little, if any, investment, ensuring that its progress makes business as well as environmental sense. Some of the shared successes include using recycled cardboard boxes as filler for packing materials, creating re-usable pallets for parts delivery from vendors, as well as product delivery to dealers to eliminate the use of wood pallets, and recycling initiatives for paper and plastic from offices and break rooms.

- 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:**

In all areas of its activities, Bharat Forge is dedicated to regulatory Environmental compliance and ethical conduct. Since the Company operates in industrial areas/estates, its influence on biodiversity is very modest.

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

In all areas of its operations, Bharat Forge is in compliance with the regulatory environmental laws and ethical conduct.

- 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, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

The Company is in compliance with all applicable environmental laws.

### 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 '23	FY '22
	(Current Financial Year)	(Previous Financial Year)
From renewable sources (GJ)		
Total electricity consumption(A)-Solar + Wind	3,81,214	3,48,530
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>3,81,214</b>	<b>3,48,530</b>

Parameter	FY '23	FY '22
	(Current Financial Year)	(Previous Financial Year)
<b>From non-renewable sources (GJ)</b>		
Total electricity consumption(D)	9,22,150	7,68,153
Total fuel consumption (E)	12,51,303	11,82,321
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>21,73,453</b>	<b>19,50,474</b>

**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. Provide the following details related to water discharged:**

We do not discharge water to any of the water bodies

**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

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

Not applicable, as we do not have any operations in areas of water stress.

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

Scope-3 emissions are considered in Bharat Forge emission calculations presently. Following are the calculated Emission values:

Parameter	Unit	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	5,64,947	5,13,837
<b>Total Scope 3 emissions per rupee of turnover</b>	Tonnes of CO <sub>2</sub> e per rupee of turnover	7.46	8.81
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity	Tonnes of CO <sub>2</sub> e per Ton of Production	2.17	2.31



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.**

In all areas of its activities, Bharat Forge is dedicated to regulatory environmental compliance and ethical conduct. Since the Company operates in industrial areas/estates, its influence on biodiversity is very modest.

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:**

Sr. No.	Initiative undertaken	Details of the initiative (Web link, if any, may be provided along with summary)	Outcome of the initiative
1.	Use of Industry 4.0	Energy Meters connected to Central Energy Monitoring System	The system will trigger an automatic notification for excess energy consumption without manual intervention

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

Yes, the Company recognises the importance of business continuity in its business and has put in place policies to ensure mission-critical operations continue in the event of an interruption. The policy is available at - <https://www.bharatforge.com/assets/pdf/investor/download/risk-management-policy>

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?**

The Supplier is expected to implement its binding code of conduct and make reasonable efforts to promote the Supplier Code's principles in its supply chain. During the fiscal year 2022-23, the Company screened its Critical suppliers (51 in total) using social and environmental criteria and found no negative social or environmental impacts on its value chain.

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

Bharat Forge has assessed 77.11% of its Value Chain partners for environmental impacts and found no negative social or environmental impacts on its 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.**

Bharat Forge is affiliated with 17 trade and industry chambers/associations.

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a 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 Industries [CII]	National
2.	Automotive Components Manufacturers' Association [ACMA]	National
3.	All India Management Association [AIMA]	National
4.	Association of Indian Forging Industry [AIFI]	National
5.	Indo German Chamber of Commerce [IGCC]	National
6.	Swedish Chamber of Commerce in India [SCCI]	National
7.	Indo American Chamber of Commerce [IACC]	National
8.	Indo French Chamber of Commerce in India [IFCCI]	National
9.	Federation of Indian Chambers of Commerce & Industry [FICCI]	National
10.	Mahratta Chamber of Commerce Industry & Agriculture [MCCIA]	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 behaviour involving the Company during the reporting period. (2022-23)

#### LEADERSHIP INDICATORS

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

The Company directly or through trade bodies and other associations puts forth a number of suggestions with respect to the industry in general and its activities in particular.

### 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.

Name and Brief details of the 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
1. Pratham Pune: Educational Program in the slum	-	-	Yes	Assessment is in progress	<a href="https://www.bharatforge.com/sustainability/downloads/third-party-assessment-reports">https://www.bharatforge.com/sustainability/downloads/third-party-assessment-reports</a>
2. Installation of water filters In villages: To provide Clean drinking water to villagers	-	-	Yes	Assessment is in progress	
3. Covid Relief - Urban	-	-	Yes	Assessment is in progress	

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

NIL

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

Bharat Forge has a CSR Team to monitor the CSR Projects regularly which continuously interacts with the concerned communities in the areas of operation. The grievances, as and when they arise, are addressed and resolved in a timely manner by the CSR Team

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

	FY '23 (Current Financial Year)	FY '22 (Previous Financial Year)
Directly sourced from MSMEs/small producers	5.94%	5.97%
Sourced directly from within the district and neighbouring districts	54%	66%

#### 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:**

Sr. No.	State	Aspirational District	Amount spent (In INR)
1	Maharashtra	Osmanabad/Dharashiv	7 lakh

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

Yes

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

The required aprons and boiler suits (uniform) by Bharat Forge are procured from self-help Groups of women from community centres.

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

The boiler suits and aprons required (uniform) by Bharat Forge are provided by self-help Groups from community centres having an approximate value of 1.29 million.

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.**

Not Applicable

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

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

S. No.	CSR Project	No. of persons benefitted from CSR projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Village Development Project in more than 100 villages in Maharashtra State.	200000+ people from more than 100 villages	>90
2.	Education Project in collaboration with Pratham Pune Education Foundation	13,585 children from 8 divisions of Pune	100
3.	Education Project in collaboration with Jnana Prabodhini	389 children from 5 different communities	100
4.	Education Project in collaboration with Vidyarthi Sahayak Samiti	20 girl students pursuing engineering or diploma	100
5.	Women Empowerment - Community Centres, vocational training and income generation activities	350 women from self help groups located at 3 centres (Hadapsar, Wadgaon Sheri & Keshavnagar)	>75
6.	Skilling through CoE (Centre of Excellence) at Vidya Pratishthan, Baramati	161 students pursuing Engineering	>75
7.	Skill Development Project - Working with (ITIs)	1500 students pursuing a diploma	>75
8.	Waste management	500 families from the Hadapsar area	>75

**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.**

Customer response and customer satisfaction are one of the most important factors of Bharat Forge. The Company engages with its customers on various platforms to understand their expectations. The Company obtains customer feedback directly or by referring to the customer portal on a monthly basis and compiles the "Voice of Customer report" to identify the areas of concern reported. Accordingly, corrective measures have been planned and implemented. Customer satisfaction trends are compiled, monitored and reviewed by top management at defined intervals for getting the directives for improvement.

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

Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal are not being calculated as percentage of total turnover.

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

	FY '23 (Current Financial Year)			FY '22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	NA	NA		NA	NA	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	

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

No such instances were reported in the reporting period FY23.

### 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, Bharat Forge follows the ISO 27001:2013 framework and is certified for IT services, design and defence department. The details are provided in the Company's Privacy policy which is available at <https://www.bharatforge.com/privacy-policy/>

An Information Security Policy has been implemented which provides support, management direction and documents how Information Security is managed throughout Bharat Forge; it outlines the appropriate measures through which the Company will facilitate the secure and reliable flow of information, both within the Company and externally.

The policy sets out the principles and an overarching framework for Information Security. It also details the supporting policies and guidelines, which will address the aspects of security. The approach being adopted is based upon the International Standard ISO/IEC 27001: 2013 – The Code of Practice for Information Security Management. Bharat Forge's IT and Engineering division is certified for ISO 27001 since 2006. Recently Defence division has been added to this certification scope.

### 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.

NA

## LEADERSHIP INDICATORS

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

Bharat Forge's website has information about all of the products it offers. The web link for the site is <https://www.bharatforge.com/>.

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

Since the products of the Company are directly supplied to the OEMs who assemble and send the end product to the general customer, Bharat Forge has limited scope for informing and educating the end user about the safe and responsible usage of its products.

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

Since the products of the Company are directly supplied to the OEMs who assemble and send the end product to the general customer, Bharat Forge has limited scope for informing the end user about the risk of disruption/discontinuation of its essential service.

**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, since the Company's products are OEM specific and as per OEM requirements, the Company displays product requirements on packaging as per requirements of OEM and consistent with applicable laws. Typical information displayed on the product includes details of the manufacturer, heat code, process no, dispatch no and part no. etc.

Yes, Customer response and customer satisfaction are one of the most important factors for Bharat Forge. The Company engages with its customers on various platforms to understand their expectations.

The Company obtains customer feedback directly or by referring to the customer portal on a monthly basis and compiles the "Voice of Customer report" to identify the areas of concern reported. Accordingly, corrective measures have been planned and implemented. Customer satisfaction trends are compiled, monitored and reviewed by top management at defined intervals for getting the directives for improvement.

**5. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches along with impact -NIL
- b. Percentage of data breaches involving personally identifiable information of customers – NA