

Varroc Engineering Limited

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VARROC/SE/INT/2026-27/11

April 22, 2026

To,

The Manager- Listing
The Listing Department,
**National Stock Exchange of India
Limited**
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051
NSE Symbol: VARROC

The Manager – Listing
The Corporate Relation Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001.
BSE Security Code: 541578

Dear Sir/ Madam,

Sub.: Press Release – “Varroc Reaffirms Commitment to Kham River Restoration and Sustainability on World Earth Day”

Ref.: Regulation 30 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (‘Listing Regulations’)

Pursuant to Regulation 30 of the Listing Regulations, please find enclosed herewith Press Release titled as **“Varroc Reaffirms Commitment to Kham River Restoration and Sustainability on World Earth Day”**

Kindly take the same on record and note the compliance.

Yours faithfully,

For Varroc Engineering Limited

Anil Ghatiya

Company Secretary & Compliance Officer

Encl: a/a

Varroc Reaffirms Commitment to Kham River Restoration and Sustainability on World Earth Day

Cuts Emissions, Accelerates Clean Energy Transition; ESG Rating Surges to 75

Pune, India, April 22, 2026: Varroc, a global tier-I auto components supplier, reiterates its long-term commitment to embedding sustainability at the core of its innovation and operations, enabling the development of safe, smart, and environmentally responsible mobility solutions. The company highlights strong, measurable progress in renewable energy adoption, carbon reduction, and resource-efficient manufacturing.

Building on the ESG ratings previously assigned by CRISIL ESG Ratings & Analytics Limited ("CRISIL ESG 54") and SES ESG Research Private Limited ("70.3"), Varroc has further strengthened its ESG performance with a rating of 75 assigned by CFC Finlease Private Limited, a SEBI-registered ESG Rating Provider. The unsolicited rating, based entirely on publicly available disclosures, reflects growing external recognition of Varroc's sustainability performance and transparency.

Further reinforcing this progress, Varroc's EcoVadis sustainability rating has also seen an upward revision, improving its score from 44 to 52. With this advancement, the company is now recognized with the EcoVadis "Sustainability Committed" badge, while its global percentile ranking has improved from the 18th to the 34th percentile, signalling stronger performance relative to global peers. This continued progress underscores the strength of Varroc's ESG framework and continuous enhancements across its global operations. And reflects the company's commitment to sustainability, designed to drive progress with purpose.

Commenting on the occasion, **Mr. Tarang Jain, Chairman and Managing Director, Varroc** said, "At Varroc, environmental sustainability is not an initiative, it is a commitment that shapes every aspect of our operations and growth. The improvement in our ESG rating reflects the progress we are making across energy transition, emissions reduction, and responsible manufacturing. On World Earth Day, we reaffirm our responsibility to build a greener future through safe, smart, and sustainable innovation."

Varroc firmly believes that sustainability is integral to its growth strategy and therefore embeds environmental responsibility into its operations, with a clear focus on decarbonization and sustainable industrial practices. The company has increased renewable energy usage to approximately 40% of its total electricity consumption in FY25-26, and 36% of overall energy consumption, including the process fuels, representing a substantial year-on-year increase, with a clear roadmap to surpass 50% in the near term.

Efficiency-led initiatives across Varroc's global manufacturing footprint have reduced energy intensity, helping the Company avoid over 28,000 tonnes of CO₂ emissions in FY 2026 compared to last year. Further strengthening its climate performance, Varroc achieved an approximately 26% reduction in carbon emissions in FY 2026, supported by the implementation of over 100 energy efficiency projects worldwide during the year.

Beyond energy and emissions, Varroc continues to advance circular manufacturing practices across its operations. Over 90% of total waste generated is recycled, supported

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by robust scrap management systems that minimise landfill dependency and improve material efficiency. The company has also reduced overall waste generation year-on-year. Water stewardship remains a key priority, particularly in water-stressed regions. Varroc has implemented Zero Liquid Discharge (ZLD) systems across key facilities, enabling over 90% wastewater recycling and reuse, reinforcing its commitment to responsible water management.

Extending its sustainability efforts beyond operations, Varroc continues to contribute to the restoration of the Kham River through waste removal, riverbank clean-ups, and community engagement initiatives aimed at long-term ecosystem revival.

Kham river restoration: Tangible Impact Through Collective Action

- 54 acres of riparian zone restored through cleanup, dredging, and native planting.
- 46,650 sq. m of river area cleaned
- 21,553 sq. m of riverbank greened - 22,748+ saplings planted to stabilise ecological buffers
- 110 Garbage Vulnerable Points addressed, where solid waste previously entered the river.
- 25,000 households now benefit from organised waste collection systems connected to city sanitation networks.
- Over 1 million people have participated in educational events, cultural programmes, and community activities along the riverfront.
- Flooding risks have been reduced, with the river remaining flood-free in recent monsoon seasons.

Reclaimed stretches of the river now feature ecological parks, accessible open spaces, and renewed biodiversity, drawing families, schoolchildren, and community groups back to the water's edge. The significance of this work has also been recognised globally. The Kham River Restoration Mission was selected among the top five finalists worldwide for the WRI Ross Center Prize for Cities, chosen from over 200 applications across 148 cities in 62 countries. Such recognition reinforces that locally rooted, data-led, and community-driven environmental action can meet the highest global benchmarks and offer replicable models for urban resilience.

As ESG considerations increasingly influence investor decisions, Varroc's improving ESG ratings and disclosures strengthen its positioning among global automotive component players, enhancing stakeholder confidence and supporting long-term value creation.

Looking ahead, Varroc will continue to focus on key improvement areas, including Scope 3 emissions, deeper supply chain ESG integration, and enhanced external assurance, with a target to further improve its EcoVadis score.



Tarang Jain, Chairman & Managing Director, Varroc



Kham River Aerial View



Solar Panels on plants

Press Release

About Varroc Engineering Ltd.

Varroc Engineering Ltd is a global tier-1 automotive component group. It was incorporated in 1988. The group manufactures and supplies E-mobility solutions, Body systems solutions, Lighting solutions, HMI solutions, ICE powertrain and Advanced electronics to leading OEMs with end-to-end capabilities across design, development and manufacturing for two-wheeler, three-wheeler, passenger vehicles, commercial vehicle, and off-highway vehicle worldwide. The group income was ₹ 81,718 million from continued operations in FY25. The group employs more than 6,100 employees (750 + R&D Engineers), has 37 global operating manufacturing facilities supported by 7 R&D Centres, and has filed more than 120 patents.

Varroc Engineering Limited's shares are listed on the National Stock Exchange of India Limited (VARROC) and the BSE Limited (541578) in India.

For further information on Varroc Engineering Limited please visit www.varroc.com

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For further information, follow us on our social media channels.

