



ZF Group · ZF Commercial Vehicle Control Systems India Limited, Chennai 600058

Commercial Vehicle Solutions

Department Finance
From C V Kavviya
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Date July 2, 2026

The Manager,
Listing Department,
BSE Limited, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001.

Scrp code: 533023

Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza, C-1, Block G,
Bandra - Kurla Complex,
Bandra (E), Mumbai 400 051.

Trading Symbol: ZFCVINDIA

ISIN: INE342J01019

Dear Sir/Madam,

**Sub: Business Responsibility and Sustainability Report &
Limited Assurance Statement for FY 2025-26**

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Business Responsibility and Sustainability Report of the Company along with the Independent Limited Assurance Statement provided by M/s. SGS India Private Limited for the Financial Year 2025-26, which forms part of the Integrated Annual Report for the Financial Year 2025-26.

Kindly take the above information on your record and dissemination please.

Thank you,

Yours sincerely,
For ZF Commercial Vehicle Control Systems India Limited.

C V Kavviya
Compliance Officer

Registered Office: Plot No.3 (SP), Third Main Road,
Ambattur Industrial Estate, Chennai - 600058. India
CIN: L34103TN2004PLC054667

Phone: +91 44 42242000. Fax: +91 44 42242009
www.zf.com

ZF Group

ZF Commercial Vehicle Control Systems India Limited
(Formerly known as WABCO INDIA Limited)
Plot No.3 (SP), Third Main Road,
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BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A – GENERAL DISCLOSURES

Details

| | | |
|-----|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L34103TN2004PLC054667 |
| 2. | Name of the company | ZF Commercial Vehicle Control Systems India Limited ('ZF CVCS') |
| 3. | Year of incorporation | 2004 |
| 4. | Registered office address | Plot No.3, (SP) III Main Road, Ambattur Industrial Estate, Chennai - 600 058. |
| 5. | Corporate address | Plot No.3, (SP) III Main Road, Ambattur Industrial Estate, Chennai - 600 058. |
| 6. | E-mail | cvcs.info.india@zf.com |
| 7. | Telephone | +91 044 4224 2000 |
| 8. | Website | https://www.zf.com/mobile/en/company/investor_relations/zf_cv_india_investor_relations/zf_cv_india_ir.html |
| 9. | Financial year for which reporting is being done | 2025-2026 |
| 10. | Name of the Stock Exchange(s) where shares are listed | National Stock Exchange of India Limited, Mumbai and BSE Limited, Mumbai |
| 11. | Paid-up Capital (as on date of the report) | INR 948.38 Lakhs |
| 12. | Name of contact details of the person who may be contacted in case of any queries on the BRSR Report | C V Kavviya Phone: +91 44 4244 9514 E-mail: cv.kavviya@zf.com |
| 13. | Reporting boundary | Standalone (Only for ZF CVCS India Ltd) |
| 14. | Name of assurance provider | SGS India Private Limited (hereinafter referred to as SGS) |
| 15. | Type of assurance obtained | Limited assurance on BRSR Core |

Products and Services

16. 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 of Automotive components | Air assist and full air actuation and accessories systems | 72.59% |
| 2 | Spares | Spares | 14.25% |
| 3 | Software services / Research and development / Business services | Software services / Research and development / Business services | 11.40% |

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

| S. No. | Product/Service | NIC Code | % Of total Turnover contributed |
|--------|----------------------------------|----------|---------------------------------|
| 1 | Automotive components and spares | 29301 | 100% |

Operations

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

| Location | Number of Manufacturing Unit(s) | Number of office(s) | Others (warehouse) | Total |
|---------------|---|---------------------|--------------------|-------|
| National | 6 | 2 | 3 | 11 |
| International | * ZF CVCS does not have any international locations | | | |

The Company's manufacturing locations are located in:

- i. Chennai: Plot No. 3, (SP) III Main Road, Ambattur Industrial Estate, Chennai 600 058
- ii. Jharkhand: Large Sector, Adityapur Industrial Area, Gamharia, Seraikella-Kharsawan District, Jharkhand 832 108
- iii. Mahindra World City: Unit - 1 & Unit - 2 at: Plot No. AA8, Central Avenue, Auto Ancillary SEZ, Mahindra World City, Natham Sub-Post, Chengalpet, Kancheepuram District 603 002
- iv. Pantnagar: Plot No.11, Sector 4, SIDCUL, IIE Pantnagar, Udham Singh Nagar, Uttarakhand - 263 153
- v. Lucknow: KH 159-162, 164 Village Dhakauli Nawabganj, Barabanki Dewa Road, Somaiya Nagar, Barabanki, Lucknow, Uttar Pradesh 225 123
- vi. Oragadam: Plot C10&C11, SIPCOT Industrial Park Phase 2, Vaipur B-Block, Oragadam, Kancheepuram District PIN-602 105

The Company has its ZF IT Center India and Global Engineering Centre (fka Technology Center India) Chennai situated at Porur, Chennai

The Company has three warehouses situated in Pune, Indore and Hosur.

19. Markets served by the entity:

The company operates in the following markets mentioned below:

a. Number of locations

| Locations | Number |
|----------------------------------|--|
| National (No. of States) | The Company operates across 26 states and 4 union territories (Excluding Lakshadweep, Diu Daman) |
| International (No. of Countries) | We export to 18 countries across the Americas, Asia, Europe and Africa. |

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

36.61%

c. A brief on types of customers

The Company deals with multiple segments and categories namely Automotive Original Equipment Manufacturer (OEMs), distributors, government agencies and retailers.

Employees
20. Details as at the end of Financial Year:
a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| Employees | | | | | | |
| 1. | Permanent (D) | 1,999 | 1,603 | 80% | 396 | 20% |
| 2. | Other than Permanent (E) | - | - | - | - | - |
| 3. | Total employees (D + E) | 1,999 | 1,603 | 80% | 396 | 20% |
| Workers | | | | | | |
| 4. | Permanent (F) | 492 | 479 | 97% | 13 | 3% |
| 5. | Other than Permanent (G) | 873 | 758 | 87% | 115 | 13% |
| 6. | Total workers (F + G) | 1365 | 1237 | 91% | 128 | 9% |

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|----------------------------------|---|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| 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% |
| Differently abled workers | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0% | 0 | 0% |
| 5. | Other than permanent (G) | 0 | 0 | 0% | 0 | 0% |
| 6. | Total differently abled workers (F + G) | 0 | 0 | 0% | 0 | 0% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures.

21. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 8 | 2 | 25.00 % |
| Key Management Personnel | 3 | 2 | 66.67 % |

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

| | FY 2025-26 | | | FY 2024-25 | | | FY 2023-24 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 11% | 6% | 17% | 8% | 2% | 10% | 12% | 2% | 14% |
| Permanent Workers | 1.80% | 0.00% | 1.80% | 1.80% | 0.20% | 2% | 1% | 0% | 1% |

Holding, subsidiary and associate companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % Of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|--|--|
| 1 | ZF Friedrichshafen AG | Ultimate holding company | Nil | -No- |
| 2 | WABCO Asia Pvt Ltd, Singapore | Holding company | Nil (60% holding is being held in the Listed entity) | |
| 3 | ZF CVCS Manufacturing India Pvt Ltd | Wholly owned subsidiary | 100% | |

CSR

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in Rs.) – Rs. 4,05,547.93 Lakhs

(iii) Net worth (in Rs.) – Rs. 3,67,637.10 Lakhs

Transparency and Disclosure Compliances

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

Overview of the entity's material responsible business conduct issues

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy) | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|--|--|--|---|--|--|--|
| | | 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 | No | Nil | Nil | | Nil | Nil | - |
| Shareholders | Yes [#] | 8 | 0 | All the complaints has been duly addressed and resolved | 1 | 0 | The complaint has been duly addressed and resolved |

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy) | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|--|--|--|--|--|--|--|---------|
| | | 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 |
| Employees and workers (includes PoSH complaints) | Yes | 3 | 1 | Pending complaint was concluded as on date of the report | 2 | 0 | - |
| Customers | Yes ^{&} | Nil | Nil | | Nil | Nil | - |
| Value Chain Partners | Yes [*] | Nil | Nil | | Nil | Nil | - |
| Other (please specify) – Whistle Blower Complaints | Yes | 10 | 0 | | 4 | 0 | - |

Note:

*Whistle blower policy:

The Whistle blower mechanism provides a platform enabling employees, trainees, directors and Vendors of the Company, to report genuine concerns, unethical behaviour, actual or suspected fraud, violation of Company's Insider Trading Code, any unlawful act or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of the whistle blower and also provides for direct access to the Chairman of the audit committee in appropriate or exceptional cases or chief ethics officer of the Company as the case may be to report any concerns or unethical activities. Further individual policies by and large prescribe grievance redressal mechanisms for the concerned stakeholders.

Weblink: https://www.zf.com/master/media/corporate/m_zf_com/company/bonds_relations/_wabco_india_ir/18_policies_and_code_of_conduct/1_ZF_CVCS_India_-_Whistle_Blower_Policy.pdf

[&] Annual Customer satisfaction survey for collating their feedback.

[#]Mechanism in place such as SEBI SCORES platform, Smart ODR platform and stock exchanges.

https://www.zf.com/mobile/en/company/investor_relations/zf_cv_india_investor_relations/zf_cv_india_ir.html

26. 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

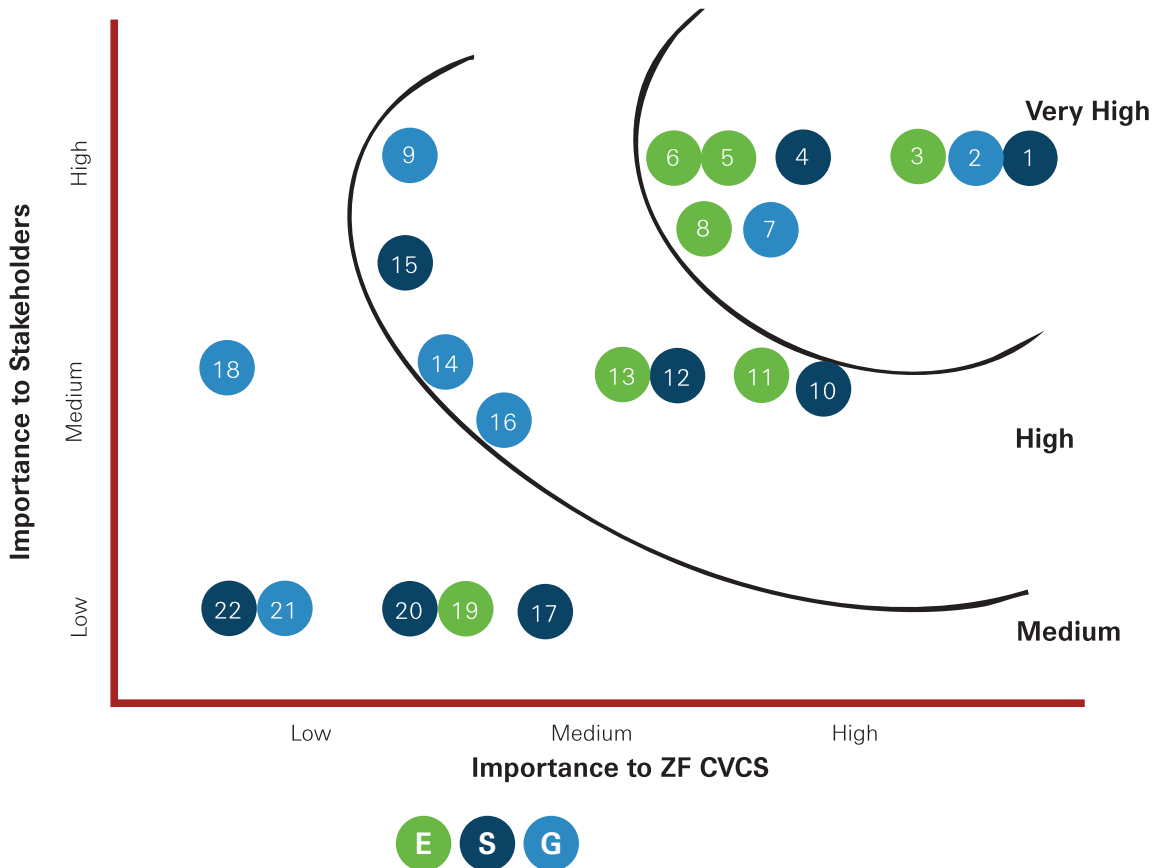
Overview of the entity's material responsible business conduct issues:

Identifying and classifying the environmental, social, economic and governance topics material is vital to our business and our internal and external stakeholders. Prioritizing the issues significant to us helps utilize resources prudently and reinforce our long-term value. The company carried out the materiality assessment in FY 21-22 which enable the company to identify material issues that directly or indirectly impacted the organization and business. Detailed materiality assessment helped to focus on the most relevant sustainability issues for stakeholders and strategic partners. We followed a stakeholder driven approach which is seen as a balanced and well-rounded methodology. Stakeholder groups critical to the entity were identified and subjected to surveys along with other research analysis to determine key material topics and prioritization of material issues based on their impact on our business and stakeholders.

| S. No. | Material identified issue | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|----------------------------|--|---|---|--|
| 1 | Health & Safety | R | As an OEM organization, we accord top priority to Occupational Health and Safety and have zero tolerance towards any incidences related to it. Our goal is to build an accident-free organization, so that our employees can work comfortably in a safe and healthy environment. The exposure of employees into the risk area makes them vulnerable to adverse incidents. | The organization provides periodic safety trainings to promote employee well-being and to ensure safety at the workplace. The Company, as part of EHS management system, has introduced SHE FMEA (Safety, Health & Environment Failure Mode and Effect analysis). SHE FMEA is a methodology that identifies hazard and assess risk and is adopted to cover all activities & processes for the routine and non-routine activities in normal, exceptional & emergency situations and to identify the failure mode with respect to EHS. It also addresses the gaps because it is a quantitative risk assessment methodology. | Negative |
| 2 | Ethical Business Practices | O | Ethical business practices form the core of our business. The company's code of conduct clearly states the necessary compliance requirements and guidelines for internal stakeholders to perform the duties with highest standard of integrity and accountability. | <ul style="list-style-type: none"> • Annual employee and director certification with the Code of Conduct • Annual Ethics Training program • Resolution of employee or third party complaints via Ethics Council investigations • FCPA audits are periodically conducted at sites to determine compliance with applicable anti-bribery regulations • Quarterly representations during global financial Audit | Negative |
| 3 | Energy Management | O | Diligent Energy Management in all usage areas will enable reduction in energy costs and helps to conduct business in an efficient and sustainable manner. | Energy mapping in all areas and 8% energy savings in every year can be achieved with implementing the improvements. | Positive |

| S. No. | Material identified issue | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|--|--|
| 4 | Risk Management | O | Risk Management aids in identification, evaluation and mapping the risk based on severity to prevent, control and mitigate through means of properly defined framework. | The Board has constituted a Risk Management Committee to review the aspects of risk management periodically, to ensure that executive management reviews and controls risk through means of a properly defined framework. There are 52 potential risks identified and mitigation measures are periodically checked by the internal audit team and are communicated to the Board of Directors. | Negative |
| 5 | Water Stewardship | O | Water is a critical element in our operations and its seen as an opportunity to judiciously use our water resources and minimize our water costs. | Monitoring of Water consumption and yearly reduction of water consumption by 2% | Negative |
| 6 | Emissions Management | O | The organization is committed towards reducing its corporate carbon footprint and aims to achieve this by reduction and substitution. It is currently in the process of evaluating their emissions and works to adhere to the national and international goals of reducing carbon emissions | Energy Efficiency and avoidance of energy consumption are the top priority. A secondary focus is the transformation of energy consumption from fossil fuels to renewable resources, or a corresponding technology shift. | Positive |
| 7 | Labour Practices and D&I | R | Labour Practices and D&I are fundamental to the success of the organization. Unrest in workforce can lead to disruption in the operations creating financial impacts. Additionally, companies infrastructure and other resources are prone to risk as a consequence of sabotage or criminal act. | There are periodic meetings held between the Union members and the site leaders. Weekly call is also arranged between the Site HR team and the Central team involving HR leader for operations. Monthly HR reviews are held which covers labour relations aspects, chaired by the India HR Leader. Further to build a more inclusive business we have taken a target of gender diversity with an aim to have 30% woman across all our manufacturing sites | Negative |

| S. No. | Material identified issue | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|--|--|
| 8 | Waste Management | R | Improper handling of the hazardous substance can result in deterioration of natural resources and environment. Ethical, reputational and legal risks arise owing to the adverse impacts on the flora and fauna caused by the ecosystem damage. | All manufacturing sites are ISO 14001 certified (environmental certification) for compliance. Hazardous waste is packed, stored in dedicated area and disposed in safe manner through government authorized agencies | Negative |



Material issues for ZF CVCS

Very High

- 1. Employee Health & Safety
- 2. Ethical Business Practices
- 3. Energy Management
- 4. Risk Management
- 5. Water Stewardship
- 6. Emissions Management
- 7. Labour Practices and D&I
- 8. Waste Management

High

- 9. Employee Engagement & Talent Development
- 10. Anti-competitive Behavior
- 11. Opportunities in Clean Technology
- 12. Policy Influence
- 13. Climate Change Vulnerability
- 14. Responsible Sourcing

Medium

- 15. Supply Chain Management
- 16. Customer Privacy
- 17. Biodiversity & Land usage
- 18. Community Relations
- 19. Opportunities in Green Building
- 20. Board Structure & Management
- 21. Responsible Investment
- 22. Customer Management

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 National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements of administering responsible activity.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

| | |
|--------------------|---|
| Principle 1 | Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable |
| Principle 2 | Businesses should provide goods and services in a manner that is sustainable and safe |
| Principle 3 | Businesses should respect and promote the well-being of all employees, including those in their value chains |
| Principle 4 | Businesses should respect the interests of and be responsive to all its stakeholders |
| Principle 5 | Businesses should respect and promote human rights |
| Principle 6 | Businesses should respect and make efforts to protect and restore the environment |
| Principle 7 | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| Principle 8 | Businesses should promote inclusive growth and equitable development |
| Principle 9 | Businesses should engage with and provide value to their consumers in a responsible manner |

(Y- Yes / N- No)

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|----|----|----|----|----|----|----|----|
| Policy and Management Disclosures | | | | | | | | | |
| 1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| b) Has the policy been approved by the Board? (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| c) Web Link of the Policies, if available | ZF Friedrichshafen AG Group's Code of conduct policy covers the various principles of the 9 NGRBC's principles. Weblink: Code of Conduct : https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/coc_all_languages/1_ZF_Compliance_Code_of_Conduct_EN.pdf Business Partner Principles: https://www.zf.com/master/media/corporate/m_zf_com/company/corporate_governance/compliance/zf_bpc_en.pdf ZF CVCS Investor Relations: https://www.zf.com/mobile/en/company/investor_relations/zf_cv_india_investor_relations/zf_cv_india_ir.html#policiesandcodeofconduct_acc_1583360_0 | | | | | | | | |
| 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 on sustainability extend to your value chain partners? (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|--|----|----|----|----|----|----|----|----|
| <p>4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</p> | <p>The Company has installed product safety management systems to ensure the safety characteristics 1 and 2 part of International Automotive Task Force (IATF) 16949 are met.</p> <p>ISO 45001:2018 certified (Occupational Health and Safety): All Manufacturing Facilities except oragadam</p> <p>ISO 14001:2015 certified (Environment Management System): All Manufacturing Facilities except oragadam</p> <p>ISO 50001:2015 certified (Energy Management System): Manufacturing facilities in Chennai, Jharkhand and Lucknow</p> <p>The Company also adheres to ISO 27001 to safeguard organization data against security threats</p> | | | | | | | | |
| <p>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</p> | <ul style="list-style-type: none"> The Company has committed to be carbon neutral by 2040 and use 100% renewable energy by 2026. Targeting towards Zero Accident To achieve carbon neutrality the company will aim to reduce its Scope 1 & 2 emissions by 2% year on year compared to 2020. A focused effort on energy reduction initiatives 5% year on year , increase our renewable energy use by 5% year on year and reduce waste by 5% year on year | | | | | | | | |
| <p>6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</p> | <p>Actions are in place to achieve our targets and periodic review are scheduled to address the same.</p> | | | | | | | | |
| <p>Governance Leadership and Oversight</p> | | | | | | | | | |
| <p>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)</p> <p>Please Refer page Seven</p> | | | | | | | | | |
| <p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> | <p>The Company monitors the implementation of the business responsibility policies through a leadership team chaired by the Managing Director. Regular discussions are conducted to discuss the Environment, Social and Governance aspects</p> | | | | | | | | |
| <p>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.</p> | <p>Yes, the Company has a leadership team responsible for decision making on sustainability related topics. The team periodically discusses, reviews the issues and monitors the action plan. The team is chaired by the Managing Director along with the functional heads.</p> <p>Further the Risk management committee of the company is entrusted with the assessment of ESG risks and opportunities on periodic manner.</p> | | | | | | | | |

Policy and management processes
10. Details of Review of NGRBCs by the Company:

(Y- Yes / N- No)

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually (A)/ Half yearly(H)/ Quarterly(Q)/ Monthly (M) / Weekly(W)) | | | | | | | | |
|---|--|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|
| | 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 | Y | Y | Y | Y | Y | Y | Y | Y | Y | H | A | M | Q | Q | M | A | W | M |
| Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances | Y | Y | Y | Y | Y | Y | Y | Y | Y | H | A | M | Q | Q | M | A | W | M |

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.

The internal audit team at the company conducts periodic reviews of the company policies.

Some policies e.g. Health and Safety and Quality are subject to both internal and external audits as a mandate for certification process (ISO 45001, ISO 14001, ISO 50001, etc.) to evaluate the ideal working of the policies.

The certification process was carried out by DNV which is an accredited third-party certification body. No independent assessment of policies has been completed as yet.

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

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----------------|----|----|----|----|----|----|----|----|
| The entity does not consider the Principles material to its business (Yes/No) | Not Applicable | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |

SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1 – Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

ZF as a company earned the recognition and trust of its Products and services, compliance, and ethical corporate governance. The intention is to carry on conducting moral business with integrity and transparency. The ZF Code of Conduct is a crucial component in promoting ethical and responsible behavior among employees. It offers direction on principles of morally upright behavior in daily operations and when interacting with business partners. All suppliers and service providers are required under ZF's Business Partner Principles to pledge to abide by all applicable laws and regulations wherever in the world. It is imperative for suppliers and service providers to guarantee the protection of human rights and dignity across all business operations.

SDG Linkages-



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 | 8 | During the year, the Board of Directors of the organization spent approximately 37.5 hours on various familiarisation programmes comprising Policy formation & Policy Deployment, business, regulations, economy and environmental, social and governance parameters, Sustainability initiatives. | 100% |
| Key managerial personnel | 10 | During the year, KMPs of the organization spent approximately 43.5 hours on various familiarisation programmes comprising Policy formation & Policy Deployment, business, regulations, economy and environmental, social and governance parameters. In addition, a monthly Town Hall Meeting held with all the KMPs & Employees to share the developments in the business and future goals. | 100% |

| 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 |
|--|--|---|---|
| Employees other than BoD and KMPs | 75 | <p>All employees of the organization undergo various training programmes throughout the year. During the year, most trainings happened through blended learning model which entailed instructor Lead, virtual classroom initiatives, along with e-learning modules. Various key trainings were undertaken during the year such as:</p> <ul style="list-style-type: none"> • Prevention of Sexual Harassment at the Workplace, • Code of Conduct • Emotional Stability & Wellness • ZF Office 5S Training • 7 Step lean Methodology & Value stream analysis • JH Awareness training • Product Knowledge - Basic and Advanced • Low-Cost Automation – Industrial Robot Programming and Operation • LOTO Awareness • Core Quality Tools – SPC, MSA, APQP, PPAP, FMEA and control Plan • QCPC • Internal Auditor Training Program ISO14001: 2015, ISO 45001:2008 • Bottleneck Change Management • Training on 7QC Tools – QRQC, M7 tools, 5W+2H • Leadership Initiative Program • Sustainability awareness and Emission Control • Navigating supply chain dynamics • Laboratory Management • Prevention of Corrosion • 3K Training <p>Other trainings included induction programmes for new recruits, leadership training and modules on soft skills, programmes on mental and physical well-being, amongst several others.</p> | 100% |

| 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 |
|---------|--|--|---|
| Workers | 83 | <p>For workmen, On the job training as well as off job trainings were given in various topics such as</p> <ul style="list-style-type: none"> • Product Knowledge • Material Handling Techniques • Awareness 5S Audit • TEI Activities – Kaizen, Suggestions, Fugai Tag • Awareness on Poka - Yoke • Awareness on Quality Defects • Awareness on POSH • Productivity Improvement • Awareness on JH & CLIA adherence • QMS • TPM • TQM • Reduction of Carbon Footprints • Lean Principles (8 types of Wastes) • Awareness on EHS • Awareness on ZF PS • 7 QC Tools ZF • 3K Training • ZF DNA Quality • Industrial Safety • Behavioral Safety • First Aid Training • LOTO Awareness • Yoga awareness • Induction programmes for new recruits | 100% |

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

| Monetary | | | | | |
|-----------------|-----------------|---|-----------------|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agency/ judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine | Nil | Nil | Nil | Nil | Nil |
| Settlement | Nil | Nil | Nil | Nil | Nil |
| Compounding fee | Nil | Nil | Nil | Nil | Nil |

| Non-Monetary | | | | |
|--------------|-----------------|---|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agency/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | Nil | Nil | Nil | Nil |
| Punishment | Nil | Nil | Nil | Nil |

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

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|--------------|---|
| Nil | Nil |

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, ZF Group Code of Conduct has covered anti-corruption or anti bribery. Weblink: [ZF Group Compliance Code Of Conduct](#)

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

| | FY 2025-26 | FY 2024-25 |
|-----------|------------|------------|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |
| Workers | Nil | Nil |

There have been no complaints against our BOD, KMPs, Employees and Workers.

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

| | FY 2025-26 | FY 2024-25 |
|--|------------|------------|
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | Nil |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | Nil | Nil |

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

Not applicable

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

| | FY 2025-26 | FY 2024-25 |
|--|----------------|---------------|
| i) Accounts payable x 365 days | 1,59,47,693.15 | 1,26,18,181.4 |
| ii) Cost of goods/services procured | 2,80,891.83 | 2,64,009.72 |
| iii) Number of days of accounts payables | 57 | 48 |

9. Open-ness of business

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

| Parameter | Metrics | FY 2025-26 | FY 2024-25 |
|----------------------------|--|------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 1.08% | 19.12% |
| | b. Number of trading houses where purchases are made from* | 23 | 161 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses** | 95.24% | 53.68% |
| Concentration of Sales | a. Sales to dealer / distributors as % of total sales | 16% | 12% |
| | b. Number of dealers / distributors to whom sales are made- Nos | 262 | 234 |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors | 57% | 55% |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 8.9% | 7.4% |
| | b. Sales (Sales to related parties / Total Sales) | 24.6% | 25.1% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 22.8% | 20.72% |
| | d. Investments | 36.1% | 36.06% |

*A "trading house" is a specialized legal entity primarily engaged in the business of export, import, and/or domestic trade of goods and services, facilitating such import, export and/or domestic trade and providing related services to support these transactions.

**Purchases from trading houses for FY 2025-26 has been computed after including all types of procurement as per the guidelines set forth in SEBI's circular dated December 20, 2024, and in alignment to Industry Standards Forum guidance for BRSR Core.

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

| Total number of awareness programmes held | Topics / principles covered under the training | % of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|--|---|
| 14 | Various topics are covered under the training as follows, <ul style="list-style-type: none"> • Product and Advanced product Knowledge • AIAG VDA - FMEA Overview: Failure modes, Risk priority numbers, severity, occurrence detection • Preparation for Launch Readiness • Safety and Special characteristic of products • Run@Rate (R@R) • ZF Product, process, change management & conditions • Quick Response Quality Control - 12 steps methodology of QRQC tool • Material Handling techniques - Shop floor Materials Handling techniques • Cleanliness achieving techniques - Need for cleanliness, ISO standards, Gravimetry • 8D & Problem-solving Techniques - 8 dimensions of Problem Solving Techniques • SPC and Control Plan - Statistical Process control, Cp, Cpk and control Plan documents • PLC programming - PLC function & Ladder programming, Driving Business excellence through ESG - Sustainability Goals & Targets Awareness | 100% |

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

Yes. The Company has processes in place to avoid / manage conflict of interests involving members of the Board. The Code of Conduct policy also has a mention about the actual or potential Conflict of Interest specifically of the Board Members and recommends the Directors or senior management personnel involved in any conflict or potential conflict situations to exclude themselves from any discussion or decision relating thereto.

Further signed declarations and commitment are received from Board of Directors and Senior Management personnel for not engaging with any activities or interests that may create conflict with company's interest on an annual basis.

Principle 2 – Businesses should provide goods and services in a manner that is sustainable and safe.

By providing our clients with exceptional products and services that increase vehicle efficiency and safety, the company hopes to make a positive impact in the lives of people and the environment. The company manufactures and distributes conventional braking products, advanced braking systems, and other related air assisted products and systems that help reduce environmental pollution, improve road safety, and save energy in medium and heavy commercial vehicles.

SDG Linkages-



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 2025-26 (Current financial year) | FY 2024-25 (Previous financial year) | Details of improvements in environmental and social impacts |
|-------|--|---|--|
| R&D | 0.30% | 0.04% | Key initiatives both in our R&D operations and product improvement from a perspective using alternative fuels and efficiency optimization were carried out in the current financial year |
| Capex | 3.58% | 0.13% | Please refer to our carbon reduction improvement effort in Principle 6 Essential Indicator 8. For other activities related to water management, energy efficiency and waste management, kindly refer Principle 6 Leadership Indicator 4. |

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

Yes. The Organization promotes sustainable sourcing and continually works towards increasing the value of purchases made from such suppliers. To support sustainable sourcing, we encourage our suppliers and vendors to adopt suitable practices in their operations. Integrated supply chain operations ensure sustainable and best use of available resources. Further, Business Partner Principles ([ZF Group Business Partner Principles](#)) covers specific guidelines that are agreed to by our suppliers as part of terms of business.

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

48.30.% (by input value material sourced) from the perspective of ZF sustainable sourcing standards).

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.

The Company has a robust design to increase the recyclability of its products and minimize the risk to the environment. The ZF group’s environmental targets consider life cycle aspects of the products during its environmental improvements. The Company evaluates recycling aspects in the product design, to ensure there is efficient recycling of materials that are used in operations.

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.

Extended Producer Responsibility (EPR) is applicable to the Company’s activities as the Company uses plastics for packaging purposes. Further the company has registered as the category of importer of plastic. Further the company has registered as the category of importer and brand owner of plastics. The waste collection plan is in line with the EPR plan submitted to Central Pollution Control Board.

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?

| NIC Code | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency | Results communicated in public domain | If yes, provide the web-link |
|----------|---------------------------|---------------------------------|--|--|---------------------------------------|------------------------------|
| Nil | | | | | | |

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.

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

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

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|------------------------------------|
| | FY 26 (Current financial year) | FY 25 (Previous financial year) |
| Aluminium | - | - |
| Iron Castings | - | - |

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

| Waste Details | FY 26 (Current financial year) | | | FY 25 (Previous financial year) | | |
|--------------------------------|-----------------------------------|----------|-----------------|------------------------------------|----------|-----------------|
| | Reused | Recycled | Safely disposed | Reused | Recycled | Safely disposed |
| Plastics (including packaging) | Nil | Nil | Nil | Nil | Nil | Nil |
| E-waste | Nil | Nil | Nil | Nil | Nil | Nil |
| Hazardous waste | Nil | Nil | Nil | Nil | Nil | Nil |
| Other waste | Nil | Nil | Nil | Nil | Nil | Nil |

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

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|
| Packaging relating to actuation systems | 90% (The Company has shifted from single time use cardboard cartons to collapsible metal-bins including Air assist and full air for packaging. Such collapsible metal-bins are reclaimed from the customers.) |

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

The company demonstrates a robust commitment to respecting and promoting the well-being of all employees including those within its extended value chain. They implemented comprehensive health and safety protocols to ensure a secure and hazard free workplace. In line with its commitment to fair labor practices, the company strictly adheres to labor laws and regulations ensuring fair wages, reasonable working hours, and the elimination of forced or child labor. The company promotes diversity and inclusion implementing policies that ensure equal opportunities for all employees regardless of gender race or background. Furthermore, the company provides various welfare programs aimed at improving the quality of life for its employees. Company covers employees and workers under various insurance benefits like Mediclaim Policy, Group personal Accidents policy & Employee Deposit linked insurance scheme to protect employee's family live hood. The company have employee representing committees like Ethics, POSH, Help desk, Welfare committee, Canteen Committee, Sports Committee to resolve grievance as per policies and certified standing orders of the company.

SDG Linkages-



Essential Indicators

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

| Category | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|---------|--------------------|---------|--------------------|----------|--------------------|---------|---------------------|---------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D /A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 1,603 | 1,603 | 100% | 1,603 | 100% | NA | NA | 1,603 | 100% | 1,603 | 100% |
| Female | 396 | 396 | 100% | 396 | 100% | 396 | 100% | NA | NA | 396 | 100% |
| Total | 1,999 | 1,999 | 100% | 1,999 | 100% | 396 | 100% | 1,603 | 100% | 1,999 | 100% |
| Other than Permanent employees | | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures for FY 2025-26.

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

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|---------|--------------------|---------|--------------------|----------|--------------------|---------|---------------------|---------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D /A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent workers | | | | | | | | | | | |
| Male | 479 | 479 | 100% | 479 | 100% | NA | NA | 479 | 100% | 479 | 100% |
| Female | 13 | 13 | 100% | 13 | 100% | 13 | 100% | NA | NA | 13 | 100% |
| Total | 492 | 492 | 100% | 492 | 100% | 13 | 100% | 479 | 100% | 492 | 100% |
| Other than Permanent workers | | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures for FY 2025-26.

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

| | FY 2025-26 | FY 2024-25 |
|---|------------|------------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.41% | 0.38% |

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

| Benefits | FY 2025-26 | | | FY 2024-25 | | |
|-------------------------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100% | 100% | Yes | 100% | 100% | Yes |
| Gratuity | 100% | 36% | Yes | 100% | 15%* | Yes |
| ESI | NA | 73% | Yes | NA | 86% | Yes |
| Others – please specify | NA | NA | NA | NA | NA | NA |

*Only permanent workers are covered under gratuity scheme

3. Accessibility of workplaces

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

The Company strongly believes in equal and fair opportunities to disabled persons. Further, the company commits to assessing the requirements and intends to develop the premises/ offices accessible to differently abled employees and workers with modifications/ constructions compliant with safety regulations and emergency responses

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.**

The Company believes that diversity and inclusion enhance our creativity, increase our innovation power, and are key to business success. We foster a culture that celebrates differences and promotes individuality, regardless of gender, age, ethnic background, sexual orientation, or physical and neurodiversity. The Company provides equal opportunities to all its employees and to all eligible applicants for employment in the Company. It does not unfairly discriminate on any ground including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law

Weblink: [ZF Group Compliance Code of Conduct](#)

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

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

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

| | |
|--------------------------------|---|
| Permanent workers | Yes, there is a provision to raise any grievances in confidential. Raised grievances will be reviewed & addressed through proper channel of grievances redressal committee. We have employee representing committee like Ethics, POSH, Help desk, Welfare committee, Canteen Committee, Sports Committee to resolve grievance as per policies and certified standing orders of the company. |
| Other than permanent workers | |
| Permanent employees | |
| Other than permanent employees | |

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

| Category | FY 2025-26 | | | FY 2024-25 | | |
|----------------------------------|--|---|---------|---|---|---------|
| | Total employees / workers in respective category (A) | No. of employees/ workers in the respective category, who are part of the association(s) or Union (B) | % (B/A) | Total employees/ workers in the respective category (C) | No. of employees/ workers in the respective category, who are part of the association(s) or Union (D) | % (D/C) |
| Total Permanent Employees | | | | | | |
| Male | NA* | | | | | |
| Female | | | | | | |
| Total | | | | | | |
| Total Permanent Workers | | | | | | |
| Male | 479 | 479 | 100% | 454 | 454 | 100% |
| Female | 13 | 13 | 100% | 5 | 5 | 100% |
| Total | 492 | 492 | 100% | 459 | 459 | 100% |

* Not applicable to permanent employees as they are not part of Union

8. Details of training given to employees and workers:

| Category | FY 2025-26 | | | | | FY 2024-25 | | | | |
|------------------|------------|-------------------------------|---------|----------------------|---------|------------|-------------------------------|---------|----------------------|---------|
| | Total (A) | On health and safety measures | | On skill upgradation | | Total (D) | On health and safety measures | | On skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No.(F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 1,603 | 1,603 | 100% | 1,603 | 100% | 1,663 | 1,663 | 100% | 1,663 | 100% |
| Female | 396 | 396 | 100% | 396 | 100% | 366 | 366 | 100% | 366 | 100% |
| Total | 1,999 | 1,999 | 100% | 1,999 | 100% | 2,029 | 2,029 | 100% | 2,029 | 100% |
| Workers | | | | | | | | | | |
| Male | 479 | 479 | 100% | 479 | 100% | 2,670 | 2,670 | 100% | 2,670 | 100% |
| Female | 13 | 13 | 100% | 13 | 100% | 423 | 423 | 100% | 423 | 100% |
| Total | 492 | 492 | 100% | 492 | 100% | 3,093 | 3,093 | 100% | 3,093 | 100% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures for FY 2025-26.

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

| Category | FY 2025-26 | | | FY 2024-25 | | |
|------------------|------------|---------|-----------|------------|---------|-----------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Employees | | | | | | |
| Male | 1,603 | 1,603 | 100% | 1,663 | 1,663 | 100% |
| Female | 396 | 396 | 100% | 366 | 366 | 100% |
| Total | 1,999 | 1,999 | 100% | 2,029 | 2,029 | 100% |
| Workers | | | | | | |
| Male | 479 | 479 | 100% | 2,670 | 2,670 | 100% |
| Female | 13 | 13 | 100% | 423 | 423 | 100% |
| Total | 492 | 492 | 100% | 3,093 | 3,093 | 100% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures for FY 2025-26.

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, what is the coverage of such a system?

Yes, the Company has health and safety management systems as per ISO 45001, the objective of Occupational Health and Safety Management System is reduction of occupational injuries and promoting physical and mental well-being, across all plants covering Design, Development and manufacturing activities.

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

All ZF locations manage their EHS (Environment, Health & Safety) activities in alignment with the global EHA management system. The EHS management system focuses on preventing and minimizing environmental, health and safety risks. The Company, as part of EHS Health management system has SHE FMEA (Safety, Health & Environment Failure mode analysis) as risk assessment methodology. SHE FMEA is a methodology that identifies hazard and assess risk and is adopted to cover all activities & processes for the routine and non-routine activities in normal, abnormal & emergency and to identify the failure mode with respect to EHS. It also addresses the gaps because it is a quantitative risk assessment methodology.

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

Yes, the Company has the Incident reporting system with 12 steps. The employees are empowered to report potential safety hazards through green fugai tag (safety abnormality tag). The supervisor will upload the green fugai tag (safety abnormality tag) into an online portal and the respective team will address it. Employees also participate in the Safety suggestion scheme, and they are rewarded for the participation. They also participate in the Quality circle to identify the EHS issues and help to improve it.

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

Yes, the Company has in-house Occupational health centres in all plants. There are full time medical officers in Ambattur & Mahindra City site locations and they can avail services and medicines at free of cost.

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

| Safety incident/number | Category | FY 2025-26 | FY 2024-25 |
|--|------------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked) | Employees* | 0 | 0 |
| | Workers | 0.28 | 0.64 |
| Total recordable work-related injuries | Employees | 0 | 0 |
| | Workers | 3 | 4 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

Note: This data includes Trainees

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

ZF conducted a comprehensive safety training program focused on strengthening workplace safety awareness and practices. The session covered essential topics such as

- Safety Training
- Fire Fighting
- LOTO and its importance on shop floor LOTO – its types and 8 steps of LOTO procedure
- Session on Unsafe Act

Our operations are **certified to ISO 45001**, reinforcing our commitment to maintaining the highest standards of workplace health and safety.

- Worker LTIFR improved significantly from 0.64 to 0.28, reflecting a reduction of over 50%.
- Recordable injuries among workers decreased from 4 to 3, indicating improved incident prevention and control.
- Employee safety performance remained strong, with zero injuries and zero LTIFR recorded during the year.
- Zero fatalities and no high-consequence injuries were reported for both employees and workers.

Build the SHIELD: Strengthening Safety Culture Through Collective Action

- ZF reinforced its EHS culture through the “Build the SHIELD” initiative, focusing on safer, healthier, and more sustainable workplaces. The program emphasized ergonomics, reduced operator fatigue using AI insights, and improved energy and resource efficiency through the 10R principles.
- Key actions included signature campaigns, theme-based posters, and toolbox talks, leading to improved safety practices, higher awareness, and stronger alignment across teams.

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

| | FY 2025-26 | | | FY 2024-25 | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working conditions | 0 | 0 | - | 0 | 0 | - |
| Health & safety | 0 | 0 | - | 0 | 0 | - |

14. Assessments for the year

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

All sites of ZF CVCS India were assessed by ZF Group EHS auditor. Additionally, Ambattur site, Mahindra city & Jamshedpur site were assessed for ISO 45001.

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

Failure Mode and Effects Analysis (FMEA) practices were reviewed and aligned with safety and operational objectives to ensure the systematic identification of potential failure modes, the strengthening of preventive and mitigation controls, and improved integration between machine guarding and overall machine safety aspects.

The aligned FMEA framework has enhanced risk visibility, enabling more informed and proactive decision-making across teams. In addition, all EHS incidents are analyzed through A3 reports, incorporating structured incident investigation and Why-Why analysis with the involvement of all relevant stakeholders. These findings are reviewed with leadership, and appropriate corrective actions are implemented to prevent recurrence.

Lessons learned from incidents are effectively communicated across sites to address similar root causes, with systems in place to track the implementation and effectiveness of these actions. Furthermore, observations and improvement opportunities identified through internal and external assessments are systematically recorded and addressed through corrective actions across all sites to drive continuous improvement.

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. Company covers employees and workers under various insurance benefits like Mediclaim Policy, Group personal Accidents policy & Employee Deposit linked insurance scheme to protect employee’s family live hood.

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

As a company, we have no compromise in meeting and ensuring all statutory and legal requirements without any gaps. We have strong tools and review mechanism in place to ensure 100% compliances. Periodicals review are done by Senior Management.

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 2025-26 (Current financial year) | FY 2024-25 (Previous financial year) | FY 2025-26 (Current financial year) | FY 2024-25 (Previous financial year) |
| | Employees | 0 | 0 | 0 |
| Workers | 0 | 0 | 0 | 0 |



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

Yes. Company provide transition assistance programs through an external vendor / professional consultants to support employees termination due to performance gaps and other than integrity grounds.

5. Details on assessment of value chain partner:

| Details on assessment of value chain partners: | % of Tier 1 Suppliers and Customers (by value of business done with such partners) that were assessed |
|---|---|
| Health and safety practices | % of vendor - 42.7 (No physical assessment, but ESG self-assessment declaration made by supply chain partners where EHS is covered) |
| Working Conditions | % of vendor - 42.7 (No physical assessment, but ESG self-assessment declaration made by supply chain partners where EHS is covered) |

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.

None

Principle 4 – Businesses should respect the interests of and be responsive to all its stakeholders

The Company is a part of the Commercial Vehicle Solutions (CVS) division of the ZF Group. The vision of the company is to help shape the future of commercial transport systems in India. By leveraging synergies with ZF group the Company is uniquely positioned to offer the next generation of solutions and services for commercial vehicles and fleets in India and the world over. By means of its offerings, the Company aims to enhance their efficiency, safety, connectivity, intelligence, and automation. The company uses its capacity to innovate, integrate, and advance CV vehicle controls systems under the auspices of ZF’s Vision for Next Generation Mobility. It also sets the pace to address the issues facing India’s commercial transportation sector, generating sustainable value for stakeholders, customers, and employees. Through the utilization of commercial vehicle intelligence, the Company supports ZF Group’s corporate strategy aimed at ‘Next Generation Mobility’.

SDG Linkages-



Essential Indicators

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

A Core Stakeholder is any individual or group of individuals or institutions that adds value to the business chain of the corporation or is materially affected by entity’s decision. The Company is in the business of providing vehicle actuation systems for commercial vehicles and is aware that the products and services directly impact various stakeholders which includes users of commercial vehicles, its vendors, customers, community at large and investors. At present, the given stakeholder groups identified have immediate impact on the operations and working of the company. At ZF CVCS, we recognize stakeholder engagement as an integral part of our operations. We strive to create long-term sustainable value for all our stakeholders including employees, customers, investors, suppliers, and communities. In order to do so, we regularly engage and collaborate with our stakeholders to develop an understanding of their needs and expectations. Thus, the company has programmes to directly interact with the stakeholders and provide value through economic returns and training to improve awareness thereby improving safety on roads and ergonomics.

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

| Stakeholder group | Whether identified as vulnerable & marginalised group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other | Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-----------------------|--|--|--|---|
| Employees | No | Intranet Portal, Senior Leader’s Communication / Talks/ Forums, Town Hall briefings, Emails, Regular Employee Communication Forums | Ongoing | Employee engagement activities, Training, awareness and welfare programmes, Brand communication, Health, Safety and Engagement initiatives |
| Customers | No | On a need basis through multiple channels like physical, digital, etc. | Ongoing | Product quality and availability, responsiveness to needs, aftersales service, responsible guidelines / manufacturing, climate change disclosures, life cycle assessment, Business related discussions, Awareness and training programmes, workshops and seminars |
| Suppliers and Vendors | No | Supplier and Vendor meets, Face-to face and electronic correspondence, Supplier Audits | Ongoing | Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behavior), ISO and OHSAS standards, collaboration and digitalisation opportunities |

| Stakeholder group | Whether identified as vulnerable & marginalised group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other | Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|----------------------------------|--|---|--|---|
| Investors / Shareholders | No | Email, Newspaper, Advertisement, Website, Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, investor / analysts meet / conference calls, Annual report, quarterly results and investor meetings / conferences, media releases, Company website | Ongoing | Share price appreciation, dividends, profitability and financial stability, robust ESG practices, climate change risks, cyber risks, growth prospects |
| Community | No | Meets (of community / local authority), community visits and projects, partnership with local charities, volunteerism, seminars / Conferences, Community surveys and consultations, CSR Initiatives, Community Events | Ongoing | Community development, Self-sustainability, Livelihood support, Disaster relief |
| Regulatory and government bodies | No | Strategic representation and meetings with government agencies. Representation through trade bodies | Ongoing | Obtaining permissions / licenses / clarifications/ waivers /business development approvals/vendor and logistical support /recoveries as per group requirement |

Leadership Indicators

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

The Company regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc. Engagements with the relevant stakeholders by the Company are discussed with the Board on the varying topics of economic, environmental and social issues on a regular basis. Further, various aspects of the risk related to ESG are discussed in our risk management committee.

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

The Company believes in continuous improvement in its objective to achieve sustainability under the environment, social and governance aspects. The Company conducted a stakeholder surveys to identify material issues covering the aspects of environmental, social and governance. Based on the inputs, the Company identified key material topics as focus areas from ESG perspective to improves and revises the policies and activities to better address the key developments across the identified topic.

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

The Company promotes equal opportunities to the vulnerable / marginalised stakeholder groups. The Company conducts training and development camps for drivers, to promote awareness on road safety. The Company also facilitates health check-ups and supplies medical equipment to hospitals to provide health care support to marginalised communities. The Company also engages in infrastructure development for schools to upgrade the basic facilities to help enhance skill development for the vulnerable groups.

Principle 5 – Businesses should respect and promote human rights

The company is committed to respecting and promoting human rights across all aspects of its operations. The company ensures that its policies and practices are aligned with international human rights standards by creating a work environment where every individual is treated with dignity and respect and by maintaining a zero-tolerance approach to any form of harassment or forced labor. By fostering a culture of respect and accountability, the company not only upholds human rights within its own operations but also influences its entire value chain to adhere to these principles.

SDG Linkages-



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 2025-26 | | | FY 2024-25 | | |
|------------------------|--------------|--|-------------|--------------|--|-------------|
| | Total (A) | No. of employees / workers covered (B) | % (B/A) | Total (C) | No. of employees / workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 1,999 | 1,999 | 100% | 2,029 | 2,029 | 100% |
| Other than permanent | 0 | 0 | 100% | 0 | 0 | 100% |
| Total employees | 1,999 | 1,999 | 100% | 2,029 | 2,029 | 100% |
| Workers | | | | | | |
| Permanent | 492 | 492 | 100% | 459 | 459 | 100% |
| Other than permanent | 873 | 873 | 100% | 2634 | 2634 | 100% |
| Total workers | 1,365 | 1,365 | 100% | 3,093 | 3,093 | 100% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures for FY 2025-26.

2. Details of minimum wages paid to employees and workers

| Category | FY 2025-26 | | | | | FY 2024-25 | | | | |
|-----------------------------|------------|-----------------------|---------|------------------------|---------|------------|-----------------------|---------|------------------------|---------|
| | Total (A) | Equal to minimum wage | | More than minimum wage | | Total (D) | Equal to minimum wage | | More than minimum wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | 1,603 | 0 | 0 | 1,603 | 100% | 1,663 | 0 | 0% | 1,663 | 100% |
| Female | 396 | 0 | 0 | 396 | 100% | 366 | 0 | 0% | 366 | 100% |
| Other than permanent | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Workers | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | 479 | 0 | 0% | 479 | 100% | 454 | 0 | 0% | 454 | 100% |
| Female | 13 | 0 | 0% | 13 | 100% | 5 | 0 | 0% | 5 | 100% |
| Other than permanent | | | | | | | | | | |
| Male | 758 | 0 | 0% | 758 | 100% | 2216 | 0 | 0% | 2216 | 100% |
| Female | 115 | 0 | 0% | 115 | 100% | 418 | 0 | 0% | 418 | 100% |

Note: As per BRSR guidelines, worker and employee definition does not constitute apprentices/trainees. Hence the same has not been included in the above figures for FY 2025-26.

3. a. Details of remuneration/salary/wages

| | Male | | Female | |
|------------------------------------|--------|---|--------|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) Executive | 1 | 2,91,73,924 | - | - |
| Key managerial personnel* | 1 | 2,91,73,924 | 2 | 58,70,059 |
| Employees other than BoD and KMP | 1602 | 16,86,843 | 394 | 11,77,685 |
| Workers | 1237 | 4,80,000 | 128 | 3,00,000 |

* Includes Managing Director who have served full year or part of the year and excludes Non- Executive Directors

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

| | FY 2025-26 | FY 2024-25 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 14.42% | 14.01% |

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

Yes. Ethics Committee, Notified Factory Welfare officer & Safety officer are responsible for addressing human rights impacts and issues inside the company to employees and to public.

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

Yes. Appropriate redressal committee review and address the grievances related to human rights issues.

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

| | FY 2025-26 | | | FY 2024-25 | | |
|-----------------------------------|-----------------------|---------------------------------------|--|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed During the year | Pending resolution at the end of year | Remarks |
| Sexual harassment | 3 | 1 | Pending complaint was concluded as on date of the report | 2 | Nil | - |
| Discrimination at workplace | Nil | Nil | - | Nil | Nil | - |
| Child labour | Nil | Nil | - | Nil | Nil | - |
| Forced labour/Involuntary labour | Nil | Nil | - | Nil | Nil | - |
| Wages | Nil | Nil | - | Nil | Nil | - |
| Other human rights-related issues | Nil | Nil | - | Nil | Nil | - |

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

| | FY 2025-26 | FY 2024-25 |
|---|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 3 | 2 |
| Complaints on POSH as a % of female employees / workers | 0.57 | 0.25 |
| Complaints on POSH upheld | 2 | 2 |

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

Various external & internal training sessions conducted for employee awareness periodically. Company has appointed representing senior and middle management employees as POSH committee with equal representation of Male and female to address and resolve issues related discrimination and harassment cases.

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

Company has appointed representing senior and middle management employees as POSH committee with equal representation of Male and female to address and resolve issues related discrimination and harassment cases.

10. Assessments of the year

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

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

The company has detailed procedure in identifying & assessing High risk, High impacts activities & concerns to work on mitigation plan and the same has been reviewed religiously and periodically.

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

No business processes have been modified due to Human Rights as there were no grievances in the reporting period.

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

No human rights due diligence has been conducted in the current reporting period.

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, the premise is accessible to differently abled visitors.

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 | - |
| Forced Labour/Involuntary Labour | - |
| Wages | - |
| Others – please specify | - |

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

No assessment has been carried out.

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

The Company conducts its business as a manufacturer responsibly, ensuring compliance with legal requirements and internal standards worldwide. In the realm of environmental management, adhering to regulations is a fundamental concern. Legal developments are monitored and assessed, and measures are taken as needed at all sites to comply with local regulations.

SDG Linkages-

Essential Indicators

FY 2025-26: The PPP conversion factor 20.34 is based on data published by International Monetary Fund for the year 2026 has been used across the entire principle 6 for the calculation intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) calculation.

FY 2024-25: The PPP conversion factor 20.66 is based on data published by International Monetary Fund for the year 2025 has been used across the entire principle 6 for the calculation intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) calculation.

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

| Parameter | FY 2025-26 | FY 2024-25 |
|--|---------------|----------------|
| From renewable sources | | |
| Total electricity consumption (A) MJ | 92,855,759.22 | 83,301,613.20 |
| Total fuel consumption (B) MJ | - | - |
| Energy consumption through other sources (C) MJ | - | - |
| Total energy consumed from renewable sources (A+B+C) MJ | 92,855,759.22 | 83,301,613.20 |
| From non-renewable sources | | |
| Total electricity consumption (D) | 22,492,258.56 | 29,624,191.20 |
| Total fuel consumption (E) | 12,985,892.48 | 16,309,382.40 |
| Energy consumption through other sources (F) | - | - |
| Total energy consumption (D+E+F) | 35,478,151 | 45,933,573.60 |
| Total energy consumed (A+B+C+D+E+F) | 128,333,910 | 129,235,186.80 |
| Energy intensity per rupee of turnover KJ/Rupees (Total energy consumption/ turnover in rupees) | 3.16 | 3.40 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 64.37 | 70.19 |
| Energy intensity in terms of physical output Energy intensity– the relevant metric may be selected by the entity (GJ/MT) | 2.03 | 2.43 |

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, the assurance has been carried out by SGS India Pvt. Ltd.

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

Not applicable.

There are no sites/facilities that have been identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | 4,314 | 0 |
| (ii) Groundwater | 17,373 | 16,883 |
| (iii) Third-party water (municipal water supplies) | 79,579 | 68,986 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others | 0 | 0 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 1,01,266 | 85,869 |
| Total volume of water consumption (in kilolitres) | 1,01,266 | 85,869 |
| Water intensity per rupee of turnover (Total water consumption/ Revenue from Operations) | 24.9 | 22.6 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | 507.89 | 466.4 |
| Water intensity in terms of physical output | 1.9 | 1.6 |
| Water intensity (optional) – the relevant metric may be selected by the entity | - | - |

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

Yes, the assurance has been carried out by SGS India Pvt. Ltd.

4. Provide the following details related to water discharged

| Parameter | FY 2025-26 | FY 2024-25 |
|---|------------|------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (ii) To Groundwater | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (iii) To Seawater | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (v) Others | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| Total water discharged (in kilolitres) | | |

All ZF CVCS plants are ZLD* and hence there is no water discharge.

*Zero Liquid Discharge

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, the assurance has been carried out by SGS India Pvt. Ltd.

5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

Yes. The company has installed wastewater treatment systems across three sites where wastewater is generated, which is then processed in Effluent Treatment Plants (ETPs) for treatment and reuse. Any treated water that does not meet reclaimed water standards is directed for evaporation. Domestic wastewater generated within office premises is also treated and reused for gardening and toilet flushing. Additionally, the company ensures that no untreated water is discharged into the ground or drains, maintaining a Zero Liquid Discharge (ZLD) approach.

Targeted actions included daily TDS monitoring, close tracking of treated water quality, optimized chemical dosing based

on actual needs, and efficient routing of sump water to settling tanks. These measures improved ETP performance, reduced variability, and minimized sludge generation. As a result, chemical sludge decreased by 5 metric tons annually, with daily output dropping from 31 kg to 15 kg, while treated water consistently met standards and efficiency improved. The initiative also enhanced sustainability, boosted productivity, reduced downtime, ensured compliance, and strengthened employee ownership and engagement.

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

| Parameter | Unit | FY 2025-26 | FY 2024-25 |
|---|------|------------|------------|
| NOx | MT | 0.78 | 0.74 |
| SOx | MT | BDL | BDL |
| Particulate matter (PM) | MT | 0.012 | 0.013 |
| Persistent organic pollutants (POP) | MT | 0 | 0 |
| Volatile organic compounds (VOC) | MT | 0 | 0 |
| Hazardous air pollutants (HAP) | MT | 0 | 0 |
| Others – ozone-depleting substances (HCFC - 22 or R-22) | MT | 0 | 0 |

*Below Detection Limits

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, the assurance has been carried out by SGS India Pvt. Ltd.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

| Parameter | Unit | FY 2025-26 | FY 2024-25 |
|--|---|------------|------------|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 1,265.38 | 1,763 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 4,435.97 | 5,891.92 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | Metric tonnes of CO ₂ equivalent/ Cr. Rupees | 1.4 | 2.01 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjustment for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Metric tonnes of CO ₂ equivalent/ INR Cr. | 28.59 | 41.57 |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | Metric tonnes of CO ₂ equivalent/ Ton of product | 0.1 | 0.1 |

#There is significant reduction in the Scope 2 emissions for the current FY because of the organizations initiatives to utilize more renewable sources of energy.

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, the assurance has been carried out by SGS India Pvt. Ltd.

8. Does the entity have any project related to reducing greenhouse gas emission? If Yes, then provide details.

- Achieved **237 tons of annual CO₂ reduction** through optimization of centralized air-conditioning and energy efficiency improvements at the Ambattur plant.
- Implemented a structured energy program identifying **2,617 MWh annual energy-saving potential**, significantly reducing Scope 2 emissions.
- Installed a **200 kWp rooftop solar system** at Lucknow, reducing grid dependency and increasing renewable energy share (over **40% in peak months**).

- Eliminated fossil fuel use in canteen operations at Mahindra City, reducing **~207 tons of CO₂e emissions annually** by replacing diesel and LPG with electric systems.
- Introduced an **Organic Waste Converter**, reducing emissions from waste transport and landfill while promoting circular resource utilization.

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|-----------------|-----------------|
| Total waste generated (in metric tonnes) | | |
| Plastic waste (A) | 89.24 | 70.10 |
| E-waste (B) | 8.19 | 6.90 |
| Bio-medical waste (C) | 0.04 | 0.04 |
| Construction and demolition waste (D) | 0 | 0 |
| Battery waste (E) | 0 | 0 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please specify, if any. (G) | 134.40 | 118.70 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 5,214.86 | 5,531.77 |
| Total (A+B + C + D + E + F + G + H) | 5,446.73 | 5,728.00 |
| Waste intensity per rupee of turnover (Total waste generated/ Revenue from Operations) | 1.29 | 1.50 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 27.32 | 31.00 |
| Waste intensity in terms of physical output | 0.10 | 0.10 |
| Waste intensity (optional) - the relevant metric may be selected by the entity | - | - |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste | | |
| (i) Recycled | 5312.29 | 4875.80 |
| (ii) Re-used | 0 | 513.87 |
| (iii) Other recovery operations | 120.59 | - |
| Total | 5432.88 | 5389.67 |
| For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | 0.04 | 3.26 |
| (ii) Landfilling | 1.26 | - |
| (iii) Other disposal operations | 0 | - |
| Total | 1.30 | 3.26 |

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, the assurance has been carried out by SGS India Pvt. Ltd.

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

As part of our **zero waste to landfill and incineration strategy**, the Ambattur plant partnered with a certified waste recycler to enable the co-processing of hazardous waste in the cement industry, with plans to extend this initiative to the Mahindra City site. In parallel, a robust waste management system has been implemented across operations to ensure effective segregation of waste at source. Further strengthening the sustainability efforts, a **fully automatic Organic Waste Converter (OWC)** with a capacity of 250 kg/day was installed at the Ambattur plant, transforming canteen food and vegetable waste into bio-manure within 24 hours using high-efficiency technology. The generated manure is utilized within the plant to enhance soil quality and support green initiatives. This integrated approach not only minimizes landfill dependency but also reduces carbon emissions associated with waste transportation, while promoting circular economy practices and efficient resource utilization.

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

| Sr. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any |
|--|--------------------------------|--------------------|--|
| No locations in operation near ecological sensitives areas | | | |

12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (yes/ no) | Relevant Web link |
|-----------------------------------|----------------------|------|---|---|-------------------|
| Not applicable | | | | | |

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances:

| Sr. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|---------|---|---------------------------------------|---|---------------------------------|
| None | | | | |

Leadership Indicators

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

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

- For each facility / plant located in areas of water stress, provide the following information:
- Name of the area: Chennai - Ambattur
- Nature of operations: Machining and assembly of braking solutions for automotive industry

| | FY 2025-26 | FY 2024-25 |
|--|------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | | |
| (ii) Groundwater | | |
| (iii) Third party water | 38,097 | 28,596 |
| (iv) Seawater / desalinated water | | |
| (v) Others | | |
| Total volume of water withdrawal (in kilolitres) | 38,097 | 28,596 |
| Total volume of water consumption (in kilolitres) | 38,097 | 28,596 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 9.39 | 7.52 |
| Water intensity (optional) – the relevant metric may be selected by the entity | 0.6 | 0.5 |
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) Into Surface water | - | - |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (ii) Into Groundwater | - | - |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |

| | FY 2025-26 | FY 2024-25 |
|--|------------|------------|
| (iii) Into Seawater | - | - |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (iv) Sent to third-parties | - | - |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| (v) Others | - | - |
| No treatment | - | - |
| With treatment – please specify level of treatment | - | - |
| Total water discharged (in kilolitres) | - | - |

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, the assurance has been carried out by SGS India Pvt. Ltd.

2. Please provide details of total Scope 3 emissions & their intensity:

| Parameter | Unit | FY 2025-26 | FY 2024-25 |
|---|---|-------------|------------|
| Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 1,16,890.77 | 1,23,475 |
| Total Scope 3 emissions per rupee of turnover | tCO ₂ e/INR Cr. | 28.82 | 32.46 |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | tCO ₂ e/Metric Tonnes | 1.85 | 2.32 |

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, the assurance has been carried out by SGS India Pvt. Ltd.

3. 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.

Our Manufacturing and R&D Facilities does not falls under the ecologically sensitive areas, hence there is no impact assessment have been carried out

4. 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 the outcome of such initiatives:

| S. No | Type | Initiative Undertaken | Details of the Initiative | Outcome of the initiative |
|-------|------------------------|------------------------------------|--|--|
| 1. | Renewable Energy | On-site Renewable Energy Expansion | A 200 KWp rooftop solar plant was commissioned at the Lucknow facility. | Generated 40% clean electricity onsite and supplement conventional power consumption. |
| 2. | Water Recycles | Rainwater Harvesting & ZLD | 1,200 KL rainwater harvesting pond at Jamshedpur site and Zero Liquid Discharge systems across plants. | Reduced 35% freshwater consumption and enabled water recycling. |
| 3. | Zero Waste to Landfill | Organic Waste Converter (OWC) | In-house processing of 250 kg/day canteen waste into manure. | Reduced landfill disposal and improved resource recovery. |
| 4. | Energy Efficiency | Energy Optimization Projects | 51 projects including HVAC optimization, VFD installation, heat pumps, and chiller improvements. | Improved energy efficiency, reduced energy consumption, lowered carbon emissions, and enhanced operational sustainability. |



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

Yes, the Company has Risk Assessment Process. The committee comprises of site leadership team with the process owner being the Regional Operations officer. The operating procedures involves identifying the existing processes, identify risk / opportunities factor, analyze what are the potential effect for risk/ opportunities factor, evaluate severity, occurrence and risk number and then decide on the action to be taken and the frequency of review. Risks addressed include natural calamities, IT security risks, production related risks, supply chain related risks. The Company conducts an annual review of the complete risk assessment process in the entire operations activity.

6. 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.

No significant impact have been identified in the current reporting period. Various measures like Co₂ reduction target, green electricity, Product Carbon Footprint calculation (PCF) are being implemented to prevent any adverse impact on the environment.

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

Not physically, The ESG impacts of value chain partners was covered as part of ESG assessment self-declaration

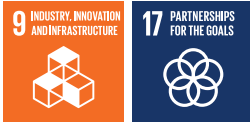
8. How many Green Credits have been generated or procured:

- a. By the listed entity – 0
- b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - 0

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

The company publicly discloses its policy positions, advocacy activities, and the principles guiding its interactions with policymakers. This openness ensures that stakeholders are fully informed about the company's efforts to influence public policy and the rationale behind its positions. The company also adheres to stringent compliance protocols to ensure that all advocacy activities are conducted within the legal framework and ethical guidelines. Moreover, the company is actively involved in several industry and trade associations, contributing significantly to these forums.

SDG Linkages-



Essential Indicators

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

ZF CVCS is affiliated to the following 8 industry chambers and 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 | Indo-German Chamber of Commerce | National |
| 2 | Confederation of Indian Industry | National |
| 3 | Confederation of Indian Industry (IWN) | National |
| 4 | Madras Management Association (MMA) | State |
| 5 | The Madras Chamber of Commerce & Industry (MCCI) | State |
| 6 | Automotive Component Manufacturers Association of India (ACMA) | National |
| 7 | IFQM membership | National |
| 8 | Quality Circle Forum of India - Secunderabad | National |

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

| Name of authority | Brief of the case | Corrective action taken |
|--|-------------------|-------------------------|
| No case was filed by any stakeholder against ZF CVCS regarding unfair trade practices and anti-competitive behavior during the financial year. | | |

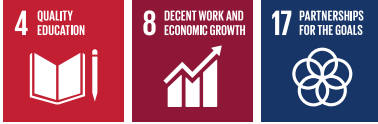
Leadership Indicators

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

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in the public domain? (Yes/No) | Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify) | Web-link, if available |
|--------|------------------------------|--|--|---|---|
| 1 | Automotive Industry Standard | Representing ZF Group at AISC Panel On Advanced Emergency Braking Systems (AEBS) of The Automotive Research Association of India in laying down Automotive Industry Standard | Yes | NA | ARAI's Automotive Industry Standard (https://www.araiindia.com/downloads) |

PRINCIPLE 8 – Businesses should promote inclusive growth and equitable development

The company recognizes the importance of economic and social progress that benefits all stakeholders, including employees, customers, suppliers, and the communities in which it operates. By fostering inclusive business practices and partnerships, the company seeks to create opportunities for social economic advancement thereby contributing to a more equitable society.

SDG Linkages-

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 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 |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| - | - | - | - | - | - |

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

| S No. | Name of project for which R&R is ongoing | State | District | No. of project affected families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|----------------|--|-------|----------|---|--------------------------|---------------------------------------|
| Not Applicable | | | | | | |

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

The Company undertakes various CSR activities that address the needs of the community in and around the factory premises. The Company reaches out to the communities, especially the vulnerable groups and addresses their grievances by implementing required CSR activities

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

| | FY 2025-26 | FY 2024-25 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 37% | 40.99% |
| Directly from within India | 78.65% | 79.92% |

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

| | FY 2025-26 | FY 2024-25 |
|--------------|------------|------------|
| Rural | 1% | 36% |
| Semi-urban | 6% | Nil |
| Urban | 0% | 9% |
| Metropolitan | 93% | 55% |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban)*

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):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| Not Applicable | |

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

| Sr. No. | State | Aspirational District | Amount spent (In INR) |
|---------|-------|-----------------------|-----------------------|
| - | - | - | - |
| - | - | - | - |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) – No, The Company follows a standardised procurement policy across all suppliers and vendors
- (b) From which marginalized /vulnerable groups do you procure? - Not Applicable
- (c) What percentage of total procurement (by value) does it constitute? - Not Applicable

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:

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

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

| Name of authority | Brief of the Case | Corrective action taken |
|--|-------------------|-------------------------|
| Not applicable as there were no adverse orders in intellectual property related disputes | - | - |

6. Details of beneficiaries of CSR projects:

| Sr. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---------|---|---|--|
| 1 | Solar based traffic signals (3Way- 3 nos) and Solar High Mast Lights (3 nos) at Kancheepuram District | 30,000 | 75% |
| 2 | Solar based traffic signals (3Way- 1 nos) and Solar High Mast Lights (1 nos) at Chengalpattu District | 30,000 | 75% |
| 3 | National Apprenticeship Promotion Scheme (NAPS) | 322 | 80% |
| 4 | O2 Plant AMC - KK Nagar (3 rd Year) | 5,000 | 80% |
| 5 | AMC For Solar Lights, Hi-mast Lights, Solar Systems at PHC | 75,000 | 80% |
| 6 | Installation of Solar High Mast lights 2 nos at Ambattur area - CAIIUC | 25,000 | 70% |
| 7 | Installation of Solar High Mast lights 2 nos at Jamshedpur | 50,000 | 100% |
| 8 | Solar based high mast light (3 Nos) at Railway Station Road, Barabanki, Lucknow | 10,000 | 75% |
| 9 | Solar based street lights at Dhakauli Village, Barabanki – 30 Nos (Single Arm) | 12,000 | 90% |
| 10 | 5 Nos. Single Arm Solar Street Light at Kasturba Gandhi awasiya Balika vidhyalaya at Barabanki | 150 | 100% |
| 11 | Installation of Solar based Single arm Street Lights (15 nos) at Kasturba Gandhi Residential Girls school- Jamshedpur | 700 | 100% |
| 12 | School infrastructure development (Renovation) at Utkarmit Madya vidyalya Jgernathpur Gamahria | 370 | 100% |
| 13 | Health & Eye-checkup for drivers & technicians | 1,858 | 90% |
| 14 | Road Safety awareness for RTOs | 700 | 90% |
| 15 | Road Safety awareness for Fleet drivers & Technicians | 1,158 | 90% |
| 16 | Greenary Development at Oragadam (500 tree plantation, rainwater harvesting with 1000m3 capacity and reuse water for 500 trees) | 1,000 | 60% |
| 17 | 7 Himast light at SIDCO Women Industrial Estate | 65,000 | 75% |
| 18 | Safety kit for Technician | 500 | 90% |

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

The Company's responsible corporate governance, compliance, and exceptional products and services have garnered recognition and trust from its customers. The goal is to uphold the company's dedication and the high regard it has achieved going forward. The Company sees customers as essential partners or members of the marketplace team, crucial for the Company's growth and success.

SDG Linkages-

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

We have a dedicated Key account team for each customer having regular interaction with the customers on day today activities on QCD and receives customer requirements / Feedback / Complaints and work closely with them to support / solve the issues.

For new Product development & application projects, we will have a separate weekly call with the Product Development team of customer and publish the progress and Key actions on both the sides. A dedicated commercial excellence team is there to address the commercial settlement with the customer.

Apart from this, on yearly basis the company conducts a customer satisfaction survey annually to capture both complaints and feedback. The responses are then grouped into attributes like Supplier relationship management, logistics, quality, innovation, competitiveness and programme projects to analyze the responses and score the performance. This analysis is then used for identifying the reasons for the deterioration of scores, if any, and to address the correct course of action.

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

| | As a % to total turnover |
|---|--------------------------|
| Environmental and social parameters relevant to the product | 0% |
| Safe and responsible usage | 20% |
| Recycling and/or safe disposal | 0% |

*SBA and Air Processing (Air Drier, DDU, ASP) will have indication of safe usage due to loaded spring assembled inside which are mandatory in nature. We provide 100% of safety instruction on mandatory requirements.

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

| | FY 2025-26 | | Remarks | FY 2024-25 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | Nil | - | - | Nil | - | - |
| Advertising | Nil | - | - | Nil | - | - |
| Cyber-security | Nil | - | - | Nil | - | - |
| Delivery of essential services | Nil | - | - | Nil | - | - |
| Restrictive trade practices | Nil | - | - | Nil | - | - |
| Unfair trade practices | Nil | - | - | Nil | - | - |
| Other | - | - | - | - | - | - |

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

| | Number | Reasons for Recall |
|-------------------|--------|--------------------|
| Voluntary Recalls | 0 | N/A |
| Forced Recalls | 0 | N/A |

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

Yes, ZF CVCS has a global framework and policy on cyber security as listed below:

PS 24-0006 Cyber & Information Security

PS 24-0030 Business Continuity Management (BCM)

PS 23-0040 ZF Data Privacy

Link to Policy:

https://www.zf.com/master/media/en/corporate/m_zf_com/meta/eu_data_protection/zf_eu_notice_for_customers_and_business_partners_de.pdf

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 the safety of products/services.

Not applicable

7. Provide the following information relating to data breaches:

| | |
|---|---|
| a. Number of instances of data breaches | No data incidents and/or breaches were reported (as per WIG 20-0234 CRISIS and Incident management) to Corporate Security (GCSA) / IT Infrastructure and Operations (FIIC) / India IT BRM head (FIBK) |
| b. Percentage of data breaches involving personally identifiable information of customers - | |
| c. Impact, if any, of the data breaches - | |

Leadership Indicators

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

Details could be found as follows:

Website: <https://www.zf.com/products/en/cv/home/cv.html>

LinkedIn: <https://www.linkedin.com/showcase/cv-at-zf/>

Customer Helpline (AM): 1800 - 102 - 4770

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

The Company has maintained its position as a trusted partner in the value chain due to its focus on quality delivery of customer services as prime positioning. We conducted road awareness training sessions each month on road safety across Authorised Service Centres, Wholesale Distributors, State Transport Undertaking offices, fleet operators, army workshop / office on the products and services.

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

The Company is involved in continuous communication with the customers to inform any risk of disruption of any essential services. Dedicated sales and customer support teams have consistent communication to keep the customers abreast of any issues in the supply chain. In critical situations like force majeure, a task force is typically formed to track, communicate, and monitor the situation until resolution.

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, to prevent any kind of personal injury during dismantling of products containing heavily compressed springs, necessary warning information is clearly indicated on product labels in Bold red colour. For example: Spring Brake actuators, DDSBA, DDU, Air Drier.

As per regulations, the Company adheres to displaying mandatory legal information across its products. This is approved by the Customers during the development process. The Company also provides weblinks to its aftermarket products and parts finder:

- **Online Product Catalog - Aftermarket:** (<https://aftermarket.zf.com/en/aftermarket-portal/services-and-support/catalog/#/Parts> Finder)
- **Retailers can place orders through Wholesale Distributors:** https://www.wabco-customercentre.com/catalog/en_IN?cclcl=en_IN



INDEPENDENT LIMITED ASSURANCE STATEMENT

Independent Limited Assurance Statement to ZF Commercial Vehicle Control Systems India Limited on its BRSR Core Indicators for FY 2025-26

**The Board of Directors,
ZF Commercial Vehicle Control Systems India Limited**
Plot No.3 (SP), Ambattur Industrial Estate, Chennai - 600058

NATURE OF THE ASSURANCE

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by ZF Commercial Vehicle Control Systems India Limited (the 'Company') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Core Report') for the reporting period of April 1, 2025, to March 31, 2026. SGS India has conducted a Limited level of Assurance for the BRSR core indicators. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

REPORTING FRAMEWORK

The Report has been prepared following

1. BRSR Core and Non-Core Framework for Assurance and ESG Disclosures for Value Chain (Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026), dated 30 January 2026 circular.
2. Greenhouse Gas Protocol Standard.
3. ISO 14064-1:2018 Standard.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all ZF Commercial Vehicle Control Systems India Limited internal and external Stakeholders.

RESPONSIBILITIES

The information in the report and its presentation is the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

ASSURANCE STANDARD

SGS has conducted a Limited level of Assurance for BRSR core parameters under 9 ESG Attributes, including all essential indicators as specified under BRSR standards and amendments made as on date. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information).

Our evidence-gathering procedures were designed to obtain a 'Limited level of assurance, which is a Moderate level of assurance in accordance with ISAE 3000(revised) standard, but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing, and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing and training; and environmental, social, and sustainability report assurance. SGS India affirms our independence from ZF Commercial Vehicle Control Systems India Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification, and GHG Validation Lead Auditors, and experience on the SRA Assurance.

SCOPE OF ASSURANCE

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators (KPIs) within the report for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries include the corporate office and all branches spread across different states in India.

ASSURANCE METHODOLOGY

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core and essential indicators, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

LIMITATIONS

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

THE ASSURANCE SCOPE EXCLUDES:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusions."
- The assurance engagement considers an uncertainty of $\pm 5\%$ based on the materiality threshold for Assumption/estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

FINDINGS AND CONCLUSIONS

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report (as per the table below) is complete, accurate, reliable, fairly stated in all material respects, and is prepared in line with the BRSR requirements.

The list of BRSR Core Indicators that were verified within this assurance engagement is given below:

| Sr. No. | BRSR Core Attribute | BRSR Core Indicator |
|---------|--------------------------------|--|
| 1 | Greenhouse gas (GHG) footprint | <ul style="list-style-type: none"> • Total scope 1 emissions • Total scope 2 emissions • GHG emission intensity (scope 1 +2) |
| 2 | Water footprint | <ul style="list-style-type: none"> • Total water consumption • Water consumption intensity • Water discharge by destination and levels of treatment |
| 3 | Energy footprint | <ul style="list-style-type: none"> • Total energy consumed • % of energy consumed from renewable sources • Energy intensity |

| Sr. No. | BRSR Core Attribute | BRSR Core Indicator |
|---------|---|---|
| 4 | Embracing circularity | <ul style="list-style-type: none"> • Plastic waste • E-waste • Bio medical waste • Construction and demolition waste • Battery waste • Radioactive waste • Other hazardous waste • Other non-hazardous waste • Total waste generated • Waste intensity • Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations. • For each category of waste generated, the total waste disposed of by the nature of the disposal method |
| 5 | Employee well-being and safety | <ul style="list-style-type: none"> • Spending on measures towards the well-being of employees as a % of the total revenue of the Company • Details of safety-related incidents for employees |
| 6 | Enabling gender diversity in business | <ul style="list-style-type: none"> • Gross wages paid to females as % of wages paid. • Complaints on POSH |
| 7 | Enabling inclusive development | <ul style="list-style-type: none"> • Input material sourced from MSMEs/ small producers as % of total purchases. • Job creation in smaller towns: Wages paid to people employed in smaller towns as % of total wage cost |
| 8 | Fairness in engaging with customers and suppliers | <ul style="list-style-type: none"> • Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events. |
| 9 | Openness of business | <ul style="list-style-type: none"> • Concentration of purchases & sales done with trading houses, dealers, and related parties • Loans and advances & investments with related parties |

For and on behalf of SGS India Private Limited

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