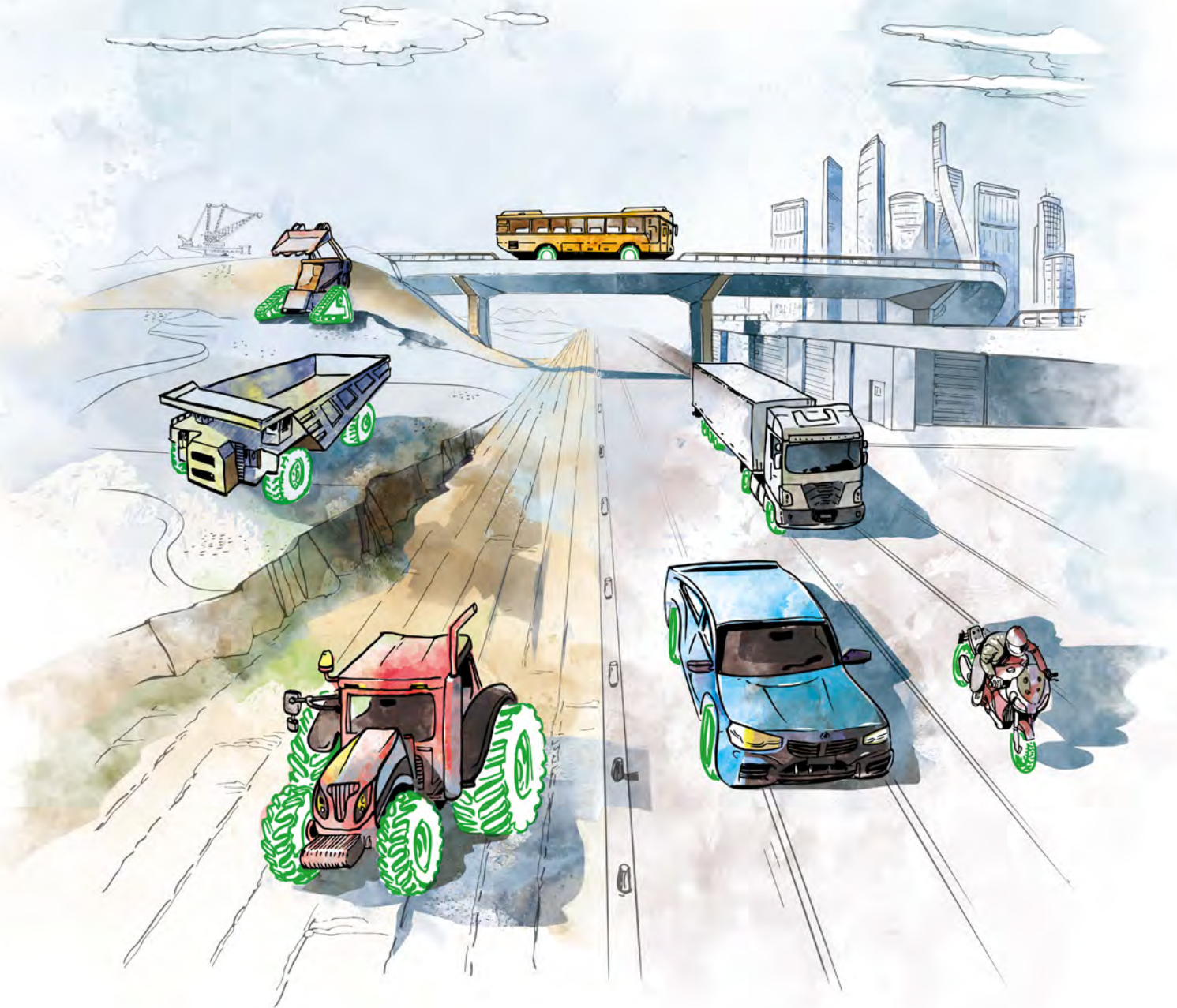


New Roads. Greener Future.



**Balkrishna Industries
Limited**

Sustainability Report 2024-25

New Roads. Greener Future.	4
Message from the leadership	6
About the report	10

The BKT Story

Strategic roots, global reach	14
Our Sustainability Journey	16
Message from the Director of Technology	20
Key highlights for FY 2024-25	22

Sustainability at BKT

Sustainability strategy	28
Our ESG targets	30
Certifications, Awards and Ratings	34
Stakeholder engagement and materiality assessment	36

Our governance

Message from the Company Secretary	46
Economic performance	47
Strengthening financial foundations for future prosperity	49
Message from the Deputy Chief Financial Officer	50
Tax strategy	52
Corporate governance	53
Board of Directors	54
Business ethics and compliance	60
Message from the Chief Financial Officer	63
Policies and undertakings	64
Risk management	66
Ethical procurement	68
Sustainable supply chain	70
Enhancing operational efficiency and sustainability	72
Innovation and digitalisation	73
Research and development	78

Safeguarding nature – Environment

Message from the ESG Head	84
Sustainable strategy and climate resilience	86
Life cycle assessment	93
Task Force on Climate-related Financial Disclosures (TCFD)	100
Energy management	114
Emission management	124
Waste management and circular economy	134
Water stewardship	142
Biodiversity	152

Fostering a collective impact

Message from the Chief Human Resources Officer	160
Employee engagement, training and well-being	161
Embracing growth – Talent and skill development	164
Human rights and workforce stewardship	177
Embracing a diverse workforce	179
Safeguarding occupational health and safety	182
Product design and lifecycle management	188
Product quality and safety	190

Appendix

ESG databook	198
GRI Content Index	216
TCFD Index	222
Sustainability Accounting Standards Board (SASB) index	223
Mapping with United Nations Sustainable Development Goals (SDGs)	224
Acronyms	226

Assurance Statement

Balkrishna Industries Limited	231
-------------------------------	-----



New Roads. Greener Future.

Every journey begins with a choice. Ours is sustainability.

At BKT, progress means responsibility. We are not just building tires - we are building the roads to a sustainable future.

Our vision, "New Roads. Greener Future.", is more than a motto: it is a call to action that drives innovation, protects the planet, and creates value for generations to come.

We are shaping tomorrow while leading today. Strengthening our global leadership in Off-Highway Tires (OHT), we are also opening new paths with Passenger Car Radials (PCR) and Commercial Vehicle Radials (CVR). Wherever we grow, one principle remains unchanged: sustainability is not an accessory - it is the foundation of everything we do.

That foundation is built into action. We enhance energy efficiency through off-gas utilization and renewable integration. We safeguard water with harvesting, reuse, and Zero Liquid Discharge systems. We embed circularity into production with reclaimed rubber, recycled steel, and sustainable inputs. Each initiative reduces the burden on natural resources and reinforces a value chain that is responsible, resilient, and ready for the future.

Innovation and engineering excellence stand at the core of this transformation. From advanced materials to precision manufacturing, we translate

research into real solutions that serve farmers, industries, drivers, and entire communities across continents. By combining technology with responsibility, we turn challenges into opportunities for sustainable mobility.

But progress is not only measured in technology or efficiency. It is reflected in the well-being of the people who work with us, in the empowerment of the communities where we operate, and in the shared value we create with partners around the globe. Growth for us is meaningful only when it uplifts lives and strengthens society.

Guided by Vision 2030, we are creating lasting value for all: empowering communities, protecting ecosystems, driving innovation, and delivering uncompromising quality. Every road we pave tells the same story - that the choices we make today define a brighter, greener tomorrow for generations to come. And in every journey we take, we carry a promise: that progress, when rooted in responsibility, becomes a legacy for the future.

Message from the leadership

In motion, with meaning – a future built on purpose



Rajiv Poddar
Joint Managing Director

Arvind Poddar
Chairman and Managing Director

FY 2024–25 marked a pivotal phase in BKT’s transformation, a year that combined strategic foresight, operational excellence, and a firm commitment to sustainability. Guided by our long-term vision, we advanced across all strategic frontiers: expanding product categories, deepening vertical integration, strengthening governance and embedding ESG across the fabric of our organisation



As a family, we have always believed that BKT's journey is more than a business story. It is the story of responsibility, of building something that lasts and that can be passed on to future generations. This year, our transformation from a focused Off-Highway Tire manufacturer into a diversified global player gained momentum. We announced our entry into Passenger Car Radials (PCR) and Commercial Vehicle Radials (CVR) - a natural extension of our core strengths in engineering precision, scalable manufacturing, and uncompromising quality. With robust R&D, we are preparing pilot-scale launches of CVR in FY 2025–26 and PCR in FY 2026–27, aiming to capture 5% of an addressable ₹80,000 Crores domestic market by 2030.

Yet, as father and son, we know that growth only has meaning if it is anchored in identity. Expansion has never come at the cost of focus. Off-Highway Tires (OHT) remain the cornerstone of who we are, contributing more than 70% of revenues and powering our presence in over 160 countries. With capacity expansions underway, we are ready to reinforce our global market share across agriculture, construction, mining, and rubber track applications - industries that form the backbone of economies and communities.

Innovation that builds resilience

This year reflected the discipline and innovation that have always defined BKT. **We achieved record volumes of 3,15,273 MT of tires, with revenue rising by 12% and EBITDA by 11%.** These achievements were enabled by efficient capacity planning, manufacturing excellence, and the ability to adapt in a volatile environment.

At the heart of this progress is our Bhuj facility - a symbol of resilience and ambition. The expansion of carbon black capacity strengthens vertical integration, ensuring energy efficiency, independence in supply chains, and quality control. For us, innovation is not abstract: it means longer-lasting tires, better fuel efficiency, and rigorous validation at advanced testing facilities. These steps widen our portfolio while embedding ESG principles - renewable energy, water stewardship, community development, and workforce welfare - into everything we do.

Sustainability woven into strategy

At BKT, sustainability is not a department - it is a foundation. It is embedded in the way we invest in infrastructure, design circular energy models, and reuse materials responsibly. This is how we make growth not just stronger, but also more enduring.

3,15,273
MT of tires
+ 12%
Revenue
+ 11%
EBITDA

5,08,743
hours of training

₹32.94
Crores invested
26
CSR projects

25%
female representation
at board

₹23,000
Crores by FY 2030
70%
OHT
10%
Revenue from Carbon Black
20%
Presence in PCR and CVR

People first, always

Behind every figure stands our people. In FY 2024–25, more than 5,08,743 hours of training were delivered, while maintaining zero fatalities for the third consecutive year. We built a future-ready talent pipeline through campus hiring, upskilling, and digital HR automation with Darwinbox, adding agility and transparency to our processes. We also enhanced workforce management with a Contract Labour Management System (CLMS).

Beyond the workplace, **we invested ₹32.94 Crores in 26 CSR projects**, impacting lives through education, healthcare, and vocational training. As a family, we have always believed progress must be inclusive - long-term success must be shared.

Governance with integrity

Sustained performance requires strong governance. Our Board, **with 25% women representation** and diverse expertise, provides oversight with integrity and foresight. In FY 2024–25, we recorded zero cases of corruption, bribery, or data breaches. Every decision is filtered through the lens of risk, responsibility, and compliance, supported by ERM systems and oversight committees. Integrity has been our compass from the beginning and will continue to guide us forward.

A brand with global reach and local roots

We are proud to represent BKT on the world stage, whether as Official Tire Partner of Monster Jam, title sponsor of Serie BKT, Ligue 2 BKT, the BKT EuroCup, and the United Rugby Championship. **In India, we are pleased to announce our alignment with seven prestigious cricket teams for upcoming 18th season of highly appreciated cricket league.** These partnerships reflect our confidence in brand building through shared values of performance, resilience, and collective spirit.

The road ahead

Our vision is to achieve revenue of ₹23,000 Crores by FY 2030, backed by innovation, execution and operational excellence. To achieve this milestone, we will rely on three levers by strengthening our leadership in OHT (70%), increase revenue from Carbon Black (10%), and establish a presence in PCR and CVR (20%). But more than metrics, it is purpose that drives us. From Bhuj's test tracks to global markets, every milestone reflects the trust of our people and the values we uphold. To all our stakeholders - customers, partners, investors, shareholders, communities, and employees - thank you. Your trust propels us forward. As father and son, we are united in carrying forward BKT's legacy - building not just scale, but a future grounded in innovation, integration, and shared responsibility. Together, we are paving new roads for a greener, brighter tomorrow.

About the report

This Sustainability Report provides an in-depth overview of BKT’s sustainability strategy and non-financial performance for FY 2024-25 (April 1, 2024 to March 31, 2025).

It is part of our ongoing commitment to transparency and accountability, offering stakeholders insights into our progress, challenges, and priorities. Over the past decade, we have continually refined our approach to sustainability by exploring new avenues, implementing innovative practices, and integrating contemporary understandings of ESG. This evolution has strengthened our ability to deliver sustainable products, reduce our environmental footprint, ensure a safer workplace, and build partnerships that support thriving communities.



Reporting scope and boundary

In this report, the terms ‘BKT’, ‘Company’, ‘we’, ‘us’, or ‘our’ refer to Balkrishna Industries Limited, a publicly listed company. Unless otherwise stated or implied by the context, we are reporting on a standalone basis. This report has been prepared with reference to the Global Reporting Initiative (GRI) Standard 2021, SASB, TCFD, UN SDG. The reporting period covers April 1, 2024, to March 31, 2025, with annual reporting frequency. The Indian Numbering System has been used throughout the report. The Company remains committed to enhancing data quality, aligning with evolving reporting standards, and drawing on industry best practices. As a result, key restatements are highlighted and explained in the notes, along with the relevant KPIs, to provide stakeholders with transparent insights.

New Roads. Greener Future.

MATERIALITY AND SCOPE

This report provides essential sustainability information relevant to all BKT stakeholders, offering a comprehensive overview of our business and its related activities. It highlights key matters that have a significant impact on BKT’s ability to create value for its stakeholders. In FY 2024-25, we reviewed our materiality topics, realigning ourselves on the topics that are most critical to both our business and stakeholders.

EXTERNAL ASSURANCE STATEMENT

Specific information in this ESG report has been externally verified by Bureau Veritas (India) Private Limited, an independent assurance firm. This verification was conducted following the AA1000AS Version 3, Type 2 High assurance standard. The assurance provider’s statement is provided at the conclusion of this report.

RESPONSIBILITY STATEMENT

This report’s content has undergone a thorough review by BKT’s senior management and has been approved by the Board of Directors. This rigorous process guarantees the accuracy, completeness, and relevance of the information provided. Additionally, all details conform to the principles and requirements of the GRI Standards 2021, demonstrating our dedication to transparency and accountability.

The reporting boundary considered for this reporting period is as follows:

Registered office

B-66, MIDC, Waluj Industrial Area Waluj, Chhatrapati Sambhaji Nagar 431136 (Maharashtra)

Corporate office

- BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013 (Maharashtra)

Manufacturing units

Tire manufacturing

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370105, District – Kutch (Gujarat)

- SP-923, RIICO Industrial Area, Phase- III, P.O. Bhiwadi 301019, District – Khairthal-Tijara (Rajasthan)

- A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301707, District – Khairthal-Tijara (Rajasthan)

- F 19/20, Gut no 62, 65, 66, MIDC, Village: Wadgaon Kolhati, Waluj, Chhatrapati Sambhaji Nagar - 431136 (Maharashtra)

- B-66, Waluj MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar - 431136 (Maharashtra) Carbon black

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370105, District – Kutch (Gujarat) Wind farm

- Village Soda Mada, Tehsil: Fatehgarh 345027, District – Jaisalmer (Rajasthan)

Mould manufacturing

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka - Bhuj - 370105, District – Kutch (Gujarat)
- C-21, M.I.D.C, Phase No. I, Dombivli (E) 421203, District – Thane (Maharashtra)

Drum manufacturing

- Plot No. TS- 1, MIDC Phase II, opposite Don Bosco School, Manpada Road, Sagaon, Dombivli (E) 421204 (Maharashtra)

Feedback

Name and contact details of the person who may be contacted in case of any queries in this Sustainability Report:

—

Vipul Shah

*Whole Time Director and Company Secretary
Tel: +91 22 6666 3800
Email: shares@bkt-tires.com*

Statements in this Report that use the words or phrases ‘will’, ‘would’, ‘believe’, ‘may’, ‘expect’, ‘continue’, ‘anticipate’, ‘estimate’, ‘intend’, ‘plan’, ‘contemplate’, ‘seek to’, ‘future’, ‘objective’, ‘goal’, ‘strategy’, ‘philosophy’, ‘project’, ‘should’, ‘will pursue’, and similar expressions or variations thereof may constitute ‘forward-looking statements’. These predictions are based on forward-looking information that is subject to a variety of risks, uncertainties, and other factors that could cause actual outcomes to differ materially from those projected. We undertake no obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of this Report. The data presented herein are estimates based on certain techniques and assumptions and may change in the future as a result of additional information or developments.

The BKT story



Foundation (1954-1995)

From a family business in India to an international player in Off-Highway Tires (OHT), built on resilience and vision.

Today

A global organization with 10,000+ employees, operations in 160+ countries, and trusted leadership in OHT driven by innovation and sustainability.

Future

Strengthening OHT leadership while expanding into Passenger Car Radial (PCR) and Truck & Bus Radial (TBR) tires, guided by our vision: **New Roads. Greener Future.**

BKT's story began in 1954, when Late Shri Mahabirprasad Poddar planted the first seed of a vision: to serve India's growing mobility needs by producing bicycle tires. What started as a modest family enterprise quickly became the foundation of a legacy that would cross generations and continents.

In 1987, BKT entered the tire industry. By 1995, less than a decade later, it had emerged as a rising international force in the Off-Highway Tire (OHT) segment – a position of leadership that continues to define and distinguish the company today.

Guided by Shri Arvind Poddar and propelled by the global outlook of Shri Rajiv Poddar, BKT grew from a local venture into a worldwide organisation. With more than 10,000 employees and a presence across three continents, the company expanded not only in scale but also in purpose: to shape industries, empower people, and leave a lasting mark on communities.

Today, BKT is recognised as a trusted name in the Off-Highway tire industry. Our reputation rests on innovation that never stops, values rooted in family tradition, and a steadfast commitment to sustainability. With operations in over 160 countries, we pioneer tire solutions that support farmers, builders, miners and transporters, while protecting the environments in which they operate.

Looking to the future, BKT is prepared to build on its momentum through a multi-year strategic plan. Growth will come from strengthening our OHT leadership and from diversification into Passenger Car Radial (PCR) and Truck & Bus Radial (TBR) tires – carrying the BKT name into new segments while upholding the same standards of reliability and trust.

Our financial stability underpins this journey, supported by optimised capacity utilisation, a strong balance sheet, and a net cash position that allows us to scale responsibly. These strengths ensure that we can expand with confidence, while continuing to deliver value for all stakeholders.

From a small workshop in India to a global enterprise shaping the future of mobility, BKT's story is one of resilience, innovation, and responsibility. It is the story of New Roads. Greener Future. – a journey that continues with every tire we build and every road we help create.

Strategic roots, global reach	14
Our Sustainability Journey	16
Message from the Director of Technology	20
Key highlights for FY 2024-25	22

Strategic roots, global reach

From our foundation in India to our hubs across Europe and North America, BKT's presence is designed to combine industrial strength with local proximity.



Map not to scale



India

India is the cornerstone of BKT's global strategy, housing its core operations in R&D, manufacturing, quality assurance, and customer support. The Bhuj facility exemplifies vertical integration, encompassing tire and carbon black production, testing labs, and logistics. India also functions as the global command centre for aftermarket services, ensuring fast and effective support across replacement markets worldwide.



Europe

Headquartered in Seregno, Italy, BKT Europe drives the Company's global marketing, brand engagement, sponsorship initiatives, and OEM partnerships. It ensures brand and service consistency across international markets. The region also hosts the Field Engineering team, delivering expert technical support and tailored solutions to meet local demands. In Milan, BKT Space serves as an immersive experience hub for customer and partner engagement, innovation, and collaboration.



United States

Operating from Akron, Ohio, BKT USA oversees sales and distribution for both replacement and OEM segments. Agricultural tires are distributed via Distributor network, while OTR products are supported by dedicated service partners and strategically positioned warehouse.



Canada

With a streamlined, agile setup, BKT Canada focuses on strengthening Distributors relationships and expanding brand reach in a competitive and fast-paced market.

Corporate office

◆ Mumbai, India (Maharashtra)

International subsidiaries

- ◆ BKT Europe S.R.L.
- ◆ BKT USA INC
- ◆ BKT Tires INC
- ◆ BKT Tires (Canada) INC

Manufacturing units

Tire manufacturing

- Bhuj (Gujarat)
- Bhiwadi (Rajasthan)
- Chopanki (Rajasthan)
- Waluj (Maharashtra) (2 units)

Carbon black

- Bhuj (Gujarat)

Mould manufacturing

- Bhuj (Gujarat)
- Dombivli (Maharashtra)

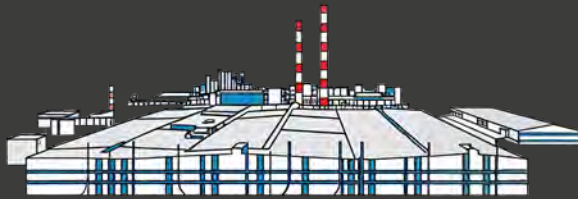
Drum manufacturing

- Dombivli (Maharashtra)

Wind farm

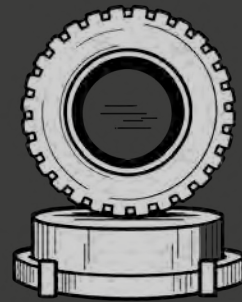
- Jaisalmer (Rajasthan)

Our Sustainability Journey



We take our first step into renewable energy, installing wind turbines in Rajasthan that cover nearly half the energy needs of two of our plants.

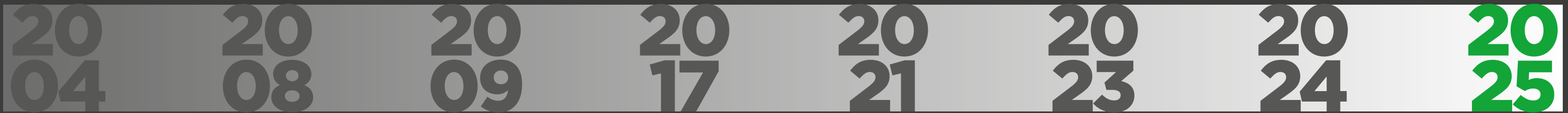
We align all operations with European chemical safety standards, ensuring safer production for people and the environment.



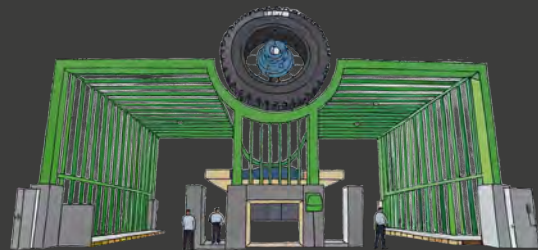
A double milestone: we publish our first Sustainability Report, sharing our journey openly, and commission a new solar power unit to further increase renewable energy use.



We raise the bar with independent assurance of ESG disclosures, conduct a company-wide Climate Risk and Scope 3 assessment, and join the Global Platform for Sustainable Natural Rubber (GPSNR) to contribute actively to global industry transformation.

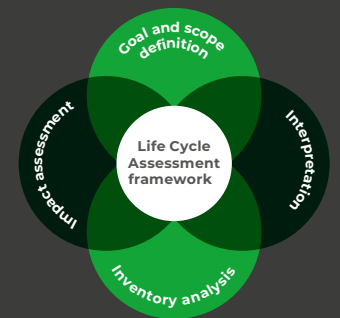


BKT Foundation is established, giving structure to our commitment to education, healthcare, and community well-being.



Innovation takes center stage with the opening of the Mahabirprasad Poddar Knowledge Centre and the Suresh Poddar Innovation Hub in Bhuj - new spaces dedicated to research, development, and training.

Sustainability becomes part of our governance. We adopt India's new national ESG reporting framework, making environmental and social performance an integral part of our Annual Report. For the first time, we also undergo international sustainability ratings such as DJSI and EcoVadis.



The future is digital and science-driven. We roll out integrated ESG data systems, set sustainability targets, and implement a Life Cycle Assessment framework across our product portfolio-embedding sustainability in every decision.



Our Commitment

We are committed to innovation, trust, and responsibility. This means investing in technologies that reduce our environmental footprint, empowering our teams to collaborate and grow, and standing by our partners worldwide with reliable solutions.

As we look ahead, we remain anchored in our Off-Highway heritage while exploring new opportunities to serve mobility in broader ways. This journey is guided by the same values that have defined BKT since the beginning: innovation, resilience, and care for future generations.

PRODUCT PORTFOLIO

At BKT, our product portfolio reflects one clear promise: reliable tires for every application, engineered with innovation and responsibility.

Diversity of Range

We offer more than 3,600 SKUs in both cross-ply and radial constructions, covering agriculture, construction, industry, earthmoving, and ATVs. Each tire is designed to deliver the right balance of traction, durability, and safety—tailored to different vehicles, performance needs, and budgets.

Innovation and Integration

Our leadership in India is strengthened by vertical integration: in-house carbon black production, mold and drum manufacturing, and advanced R&D facilities including a dedicated proving track. This enables faster innovation cycles and consistent product quality, while also opening the way to performance-driven solutions for tires and materials.

Sustainability Commitment

Every new product is developed with sustainability in mind. Through renewable energy use, efficient processes, and material innovation, we reduce our environmental footprint while safeguarding performance. By continuously investing in R&D, we ensure our tires evolve with customer needs - delivering value today while protecting the planet for future generations.

Message from the Director of Technology



(ELT), such as recovered carbon black (RCB) and Tire Pyrolysis Oil (TPO), are now integrated into our processes. These advances cut our dependence on virgin resources and lower emissions, while ensuring customers benefit from products that combine durability, safety, and better fuel efficiency.

We have also embedded greater transparency across our supply chain. All natural rubber derivatives are aligned with the Global Platform for Sustainable Natural Rubber (GPSNR), ensuring ethical sourcing and accountability. In addition, we have established rigorous due-diligence processes to comply with the European Union Deforestation Regulation (EUDR). This positions us to provide customers with supply chains that are secure, fully traceable, and compliant with the highest global standards – strengthening both trust and environmental stewardship.

Our decarbonisation roadmap, approved earlier this year, sets clear milestones for Scope 1, 2, and 3 emissions. One example is the incorporation of recycled bead wire and steel cord into mainstream production. This innovation reduces waste and carbon intensity while maintaining structural integrity,

offering customers reliable products that are better for the environment.

Digitalisation is also a central pillar of our innovation strategy. By combining real-world data with advanced simulation, we are optimising manufacturing, reducing inefficiencies, and accelerating the development of sustainable, high-performance tires. For our customers, this means faster access to solutions that deliver consistent quality, reliability, and lower environmental impact.

None of these achievements would be possible without the dedication of our global teams. I extend my gratitude to every colleague at BKT for your expertise and resilience, and to our customers, partners, and research communities for your trust and collaboration. Ultimately, our technological advances are designed to create tangible value: for consumers, greater reliability, safety, and efficiency; for the environment, reduced emissions, less waste, and responsible use of resources. Together, we will continue to embed sustainability and cutting-edge technology into every product we design, every process we refine, and every partnership we build – paving New Roads. Greener Future.

Dilip Vaidya
Director, Technology

Technology at BKT is never an end in itself – it is the bridge between performance for our customers and responsibility for the planet. In FY 2024–25, every step we took in research, engineering, and manufacturing was guided by this principle: delivering tires that are safer, longer-lasting, and more efficient, while reducing emissions, conserving resources, and protecting ecosystems.

Over the past year, our R&D centres have accelerated the transition toward more sustainable raw materials. Natural unit resins are replacing petroleum-based alternatives, while recycled plastics have been validated for industrial production. Products derived from end-of-life tires

Key highlights for FY 2024-25

Environment

21.37%
YoY reduction in non-renewable grid electricity consumption

19.42%
YoY increase in energy consumed from renewable sources

36,177 GJ
of the total energy consumed from renewable sources

During the reporting period, we achieved a

7%
YoY reduction in SOx emissions and a

3,423 tCO₂e
of GHG emissions avoided as a direct result of emission reduction initiatives

Total Scope 1 and Scope 2 emission intensity per rupee revenue is
0.73 tCO₂e/Lakhs

32%
of renewable raw materials used

2.10%
Recycled content used

14.92%
YoY decreases in total waste generation

16%
YoY reduction in Particulate Matter emissions

7,306 tCO₂e
avoided through renewable sources

ISO 14001:2015
Certification received for Bhiwadi and Chopanki units

98.17%
of total waste generated was either recycled or reused

16.29%
YoY decrease in plastic waste

35,701
New trees planted, covering an area of 19,177 m²

10.60%
YoY increase in total water withdrawal from outsourced treated wastewater



Social

5,08,743 hours
Training provided to employees and workers in FY 2024-25

Zero cases
of Human Rights violations

Zero fatalities
in the last three years

ISO 45001:2018
Certification received for Bhiwadi

100% New suppliers
are assessed based on environmental and social criteria

43%
Increase in total training hours per employee compared to FY 2023-24

100%
of employees and workers received Performance and Career Development reviews

₹32.94 Crores
Spent on 26 CSR projects

Governance

25%
Women on the Board of Directors

Zero cases
of Anti-bribery, Anti-corruption

Zero cases
of corruption involving the Board of Directors, employees, and business partners

Zero incidents
of Data losses in the last three years

Zero cases
of Bribery and Conflict of Interest against BOD and employees

Sustainability at BKT

Sustainability strategy	28
Our ESG targets	30
Certifications, Awards and Ratings	34
Stakeholder engagement and materiality assessment	36

Sustainability strategy

At BKT, sustainability is a core pillar of our vision. It is embedded in our values, guiding us to build a business that is both responsible and beneficial to society while delivering excellence to our stakeholders. We are committed to integrating sustainable practices across all operations and our value chain, ensuring that our actions contribute positively to the community and uphold the highest standards of performance.

Purpose

Growing together:
Committed to innovation and improvement

Values

- Working together
- Collaborative efficiency
- Reliability
- Transparency and disclosures

Sustainability strategy

Identify and prioritise key ESG issues to align with our business operations enhance resilience, and capitalise on emerging opportunities.

Pillars

Our governance

OBJECTIVES

We strive to prioritise ethical conduct, transparency and accountability through robust controls, comprehensive risk management and independent Board oversight

SDG ALIGNMENT



SUB-FOCUS AREAS (AS PER MATERIAL TOPICS IDENTIFIED)

- Corporate governance
- Business ethics and compliance
- Innovation and digitalisation
- Ethical procurement
- Sustainable supply chain

Safeguarding nature - Environment

OBJECTIVES

Decarbonise operations and mitigate climate change impacts to manage environmental effects, fostering sustainability and resilience.

SDG ALIGNMENT



SUB-FOCUS AREAS (AS PER MATERIAL TOPICS IDENTIFIED)

- Water stewardship
- Emissions management
- Energy management
- Sustainable strategy and climate resilience
- Product design and LCA
- Biodiversity protection

Fostering collective impact

OBJECTIVES

Focus on creating an inclusive and empowered workplace that supports personal and professional growth.

SDG ALIGNMENT



SUB-FOCUS AREAS (AS PER MATERIAL TOPICS IDENTIFIED)

- Talent attraction and retention
- Diversity, equity, and inclusion
- Labour management and human rights
- Training, education, and well-being
- Occupational health and safety
- Product quality and safety

To strengthen this commitment, we have adopted a Sustainability Framework aligned with the Global Reporting Initiative (GRI) standards and a decarbonisation roadmap referring to science based methodology. This framework, supported by digitalisation, drives targeted initiatives aimed at creating measurable economic, social, and environmental impact.

Our ESG targets

At BKT, sustainability is a core component of our organisational ethos, grounded in transparency, strong governance and rigorous data-driven practices.

Our sustainability strategy is comprehensive and fully aligned with our vision and values, addressing material issues to deliver long-term value for stakeholders while driving measurable economic, environmental and social impact. We have established well-defined targets across key material topics identified through a comprehensive Stakeholder Engagement and Materiality Assessment. These span environmental (emissions, energy, water, waste, biodiversity), social (diversity and inclusion, human rights, human capital

development, health and safety, product stewardship, product lifecycle assessment), and governance (ethical business conduct, risk management and information security) dimensions.

These targets were developed through a structured approach involving baseline assessments, KPI formulation and alignment with global sustainability frameworks such as GRI and science based methodology.

To define our priorities, we engaged closely with stakeholders, benchmarked against industry leaders, and applied

recognized scientific methods to make sure our commitments are practical, transparent and comparable with global best practices.

Stakeholder engagement played a critical role in refining our targets, ensuring they are practical, future-focused, and reflective of shared priorities. This disciplined and evidence-based approach positions BKT to advance its ESG performance in line with leading global practices and reinforces our commitment to sustainable value creation.



Topic	Goal	Target
Diversity, Equity and Inclusion	<ul style="list-style-type: none"> To create an inclusive and empowered workplace for supporting personal and professional growth Increase the share of women across all organisational levels Provision of learning opportunities and continuous improvement initiatives for employees 	<ul style="list-style-type: none"> Maintain zero tolerance for Discrimination and Harassment Ensure workplace accessibility for the differently-abled Maintain Gender Pay Parity 50% increase in the share of women employee by FY 2030 (Baseline FY 2024)
Labour management and human rights	<ul style="list-style-type: none"> To develop and maintain a thriving, ethically responsible workplace that prioritises fair labour practices, safeguards human rights and promotes the growth and well-being of its workforce 	<ul style="list-style-type: none"> Maintain 100% training coverage on Human Rights Avoid any human rights violation at workplace Redressal of all human rights grievances within 30 days 100% evaluation of critical suppliers on human rights regulations by FY 2030
Human capital management	<ul style="list-style-type: none"> To promote the growth and well-being of the workforce 	<ul style="list-style-type: none"> Facilitate ESG training for all permanent employees with a target of achieving 100% participation by FY 2027 (Baseline FY 2025) Increase average training hours per employee by 5% by the end of FY 2027 (Baseline FY 2025) Increase average training hours per worker by 5% by the end of FY 2027 (Baseline FY 2025)
Occupational health and safety	<ul style="list-style-type: none"> To cultivate a culture of safety and well-being by implementing rigorous health and safety protocols, providing comprehensive training, and continuously improving workplace environments 	<ul style="list-style-type: none"> Ensure 100% product manufacturing units are ISO 45001 certified Sustain a record of zero fatality at workplace 100% training coverage on hazard identification and safety risk assessment
Responsible supply chain	<ul style="list-style-type: none"> To ensure ethical sourcing and procurement by implementing transparent, traceable procedures and promoting continuous improvement in environmental and social performance among our partners 	<ul style="list-style-type: none"> Ensure 100% raw material suppliers undertaking to BKT's Supplier Code of Conduct/Supplier manual 100% critical raw material suppliers trained on sustainable procurement by FY 2027 (Baseline FY 2025) 10% increase in recycled/reused/renewable/sustainable input raw materials purchase (on value) by FY 2030 (Baseline FY 2024) All third-party intermediary contracts (existing and new) to include sustainability clauses by 2027 (Baseline FY 2025) 100% evaluation of critical raw material suppliers on ESG aspects by FY 2027 (Baseline FY 2024). Comply with ISO 20400 frameworks for supply chain practices (standard for sustainable procurement) by FY 2030

Topic	Goal	Target
Ethical business	<ul style="list-style-type: none"> Build trust through transparent and ethical business practices 	<ul style="list-style-type: none"> Maintain 100% employee training on Code of Conduct, Anti-Bribery and Anti-Corruption Maintain 100% of employee training on Prevention of Sexual Harassment (PoSH) ESG training for all Board members/KMP/ Senior Management
Risk management	<ul style="list-style-type: none"> To ensure business continuity through identifying, adapting and mitigating potential threats 	<ul style="list-style-type: none"> To conduct half-yearly Enterprise Risk Management Programme Annual reviews of organisational risk policies
Information technology	<ul style="list-style-type: none"> Leverage Information Technology to drive innovation, efficiency, and sustainable growth 	<ul style="list-style-type: none"> Attain ISO 27001 certification for ISMS across all operational units, aiming for completion by FY 2028
Air emissions	<ul style="list-style-type: none"> Continue to comply with the regulatory requirements 	<ul style="list-style-type: none"> Maintain full adherence to statutory environmental standards
Water management	<ul style="list-style-type: none"> Focus on optimising water usage in production processes, and investing in advanced water recycling & conservation technologies 	<ul style="list-style-type: none"> Install Zero Liquid Discharge at all product manufacturing units by FY 2028
Waste management	<ul style="list-style-type: none"> Establish a sustainable waste management system by promoting principles of circularity and implementing efficient waste segregation and disposal practices. 	<ul style="list-style-type: none"> Achieve Zero Waste to Landfill by FY 2035
Biodiversity management	<ul style="list-style-type: none"> To actively protect and enhance biodiversity across operational regions, promoting ecosystem resilience and sustainability 	<ul style="list-style-type: none"> Maintain 33% greenbelt Plant a minimum of 50,000 saplings by 2030



Certifications, Awards and Ratings



Bhiwadi

ISO Certification 9001:2015, 14001:2015 and 45001:2018

Rajasthan Energy Conservation Award 2014

Rajasthan Energy Conservation Award 2015
1st Prize

Rajasthan Energy Conservation Award 2017

Rajasthan Energy Conservation Award 2019
1st Prize

National Energy Conservation Award 2024
Gold Prize



Chopanki

ISO Certification 9001:2015, 14001:2015 and 45001:2018

ICC Annual Sustainability Symposium and Excellence Award 2024

National Energy Conservation Award 2013
2nd Prize

Rajasthan Energy Conservation Award 2015

Rajasthan Energy Conservation Award 2016
1st Prize

Rajasthan Energy Conservation Award 2017
2nd Prize

National Energy Conservation Award 2018
2nd Prize

Rajasthan Energy Conservation Award 2018

1st Prize

National Energy Conservation Award 2021

Rajasthan Energy Conservation Award 2021

National Energy Conservation Award 2024

India Chamber of Commerce (ICC) Sustainability Award – 2024

Bhuj



ISO Certification 9001:2015, 14001:2015 and 45001:2018

IATF16949 for BKT Carbon

CII National Award for Excellence in Water Management 2021

National Awards for Manufacturing Competitiveness 2024-25
Gold Medal

Waluj



ISO Certification 9001:2015

Global Safety Award 2025

Excellence award at National level Kaizen competition (NCQC) 2023 & 2024 by Quality Circle Federation of India

Ratings



Dow Jones Sustainability Indexes

S&P Global ESG score: 53 (DJSI)

Our performance reflects continued progress in sustainability and ESG excellence



EcoVadis: 57

Reaffirming our commitment to sustainability

CRISIL Credit rating:

AA+/Stable

Governance awards



Highest Export Award – Tyre Sector

Presented by All India Rubber Industries Association (AIRIA) for FY 2023-24



Top Exporter for the Year 2024-25

Presented by Mundra Customs for FY 2024-25



Five Star Export House

Certificate presented by the Ministry of Commerce and Industry for the period between 2023 and 2028

Stakeholder engagement and materiality assessment

BKT recognises the critical importance of cultivating strong stakeholder relationships as a foundational element of a robust business framework. In today's dynamically evolving regulatory and business landscape, having a resilient business model is essential to address the varied needs of stakeholders.

Our sustainable business strategy is rooted in active stakeholder engagement, positioning our stakeholders as collaborative partners in achieving shared business goals. By incorporating diverse perspectives into our decision-making and strategic planning processes, we foster a culture of constructive interaction. This proactive approach not only creates long-term value for both our organisation and our stakeholders but also ensures enduring and harmonious relationships.

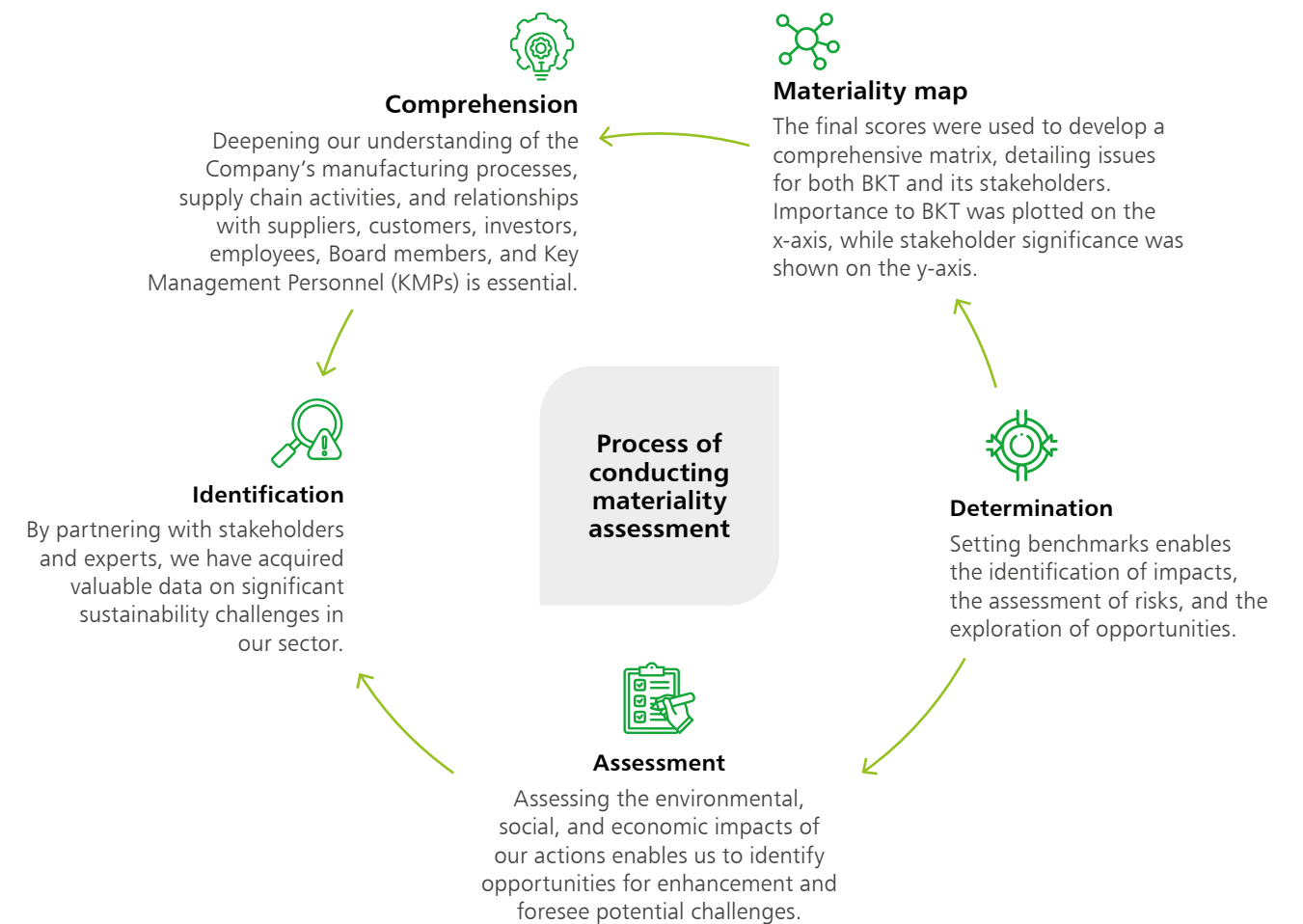
Through active dialogue, addressing concerns, and valuing stakeholder insights, we maintain business continuity and resilience. Our comprehensive

stakeholder engagement framework enables consistent and meaningful communication, ensuring we clearly understand stakeholder priorities and respond promptly to their needs. By employing a variety of communication and engagement strategies, we aim for interactions that are both lasting and effective.

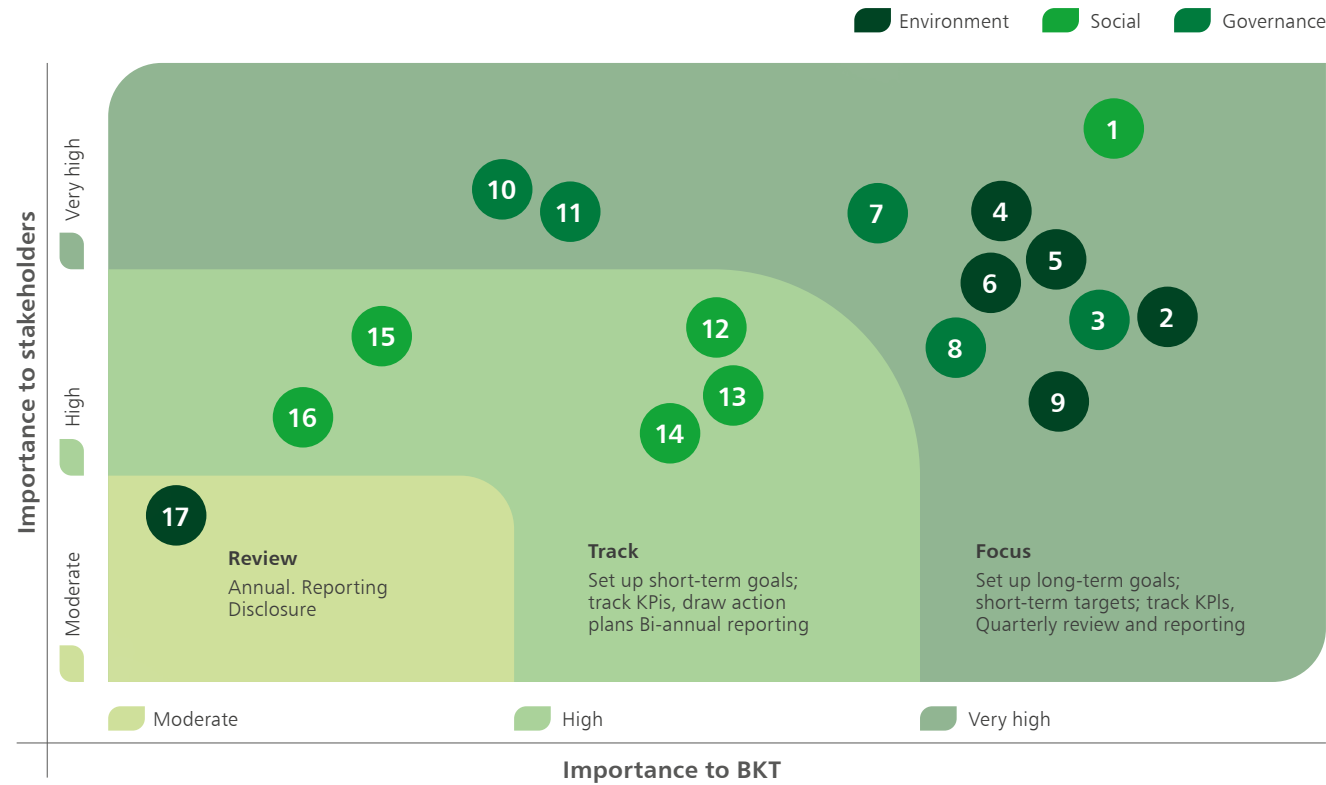
In FY 2023-24, we reassessed our most significant material issues through a thorough evaluation process, considering factors such as industry characteristics, our business model and stakeholder expectations. BKT developed a comprehensive list of individuals and groups whose interests are, or could be,

impacted by its activities. The identified stakeholders therein include the Board of Directors (BoD), Key Managerial Personnel (KMPs), employees, investors, supply chain partners, customers. To ensure a comprehensive assessment, we gathered valuable input from both internal and external stakeholders through surveys across various groups and categories, applying weighted scores to prioritise material topics. This approach, being a crucial element of our overall risk assessment strategy, helped identify material topics and seamless integration into our existing risk management framework.

Process of conducting materiality assessment



Materiality matrix for BKT



Rank	Material issues	Rank	Material issues
1	Product quality and safety	10	Ethical procurement
2	Water stewardship	11	Sustainable supply chain
3	Corporate governance	12	Prioritising occupational health and safety
4	Emissions management	13	Labour management and human rights
5	Energy management	14	Training, education, and well-being
6	Sustainable strategy for climate resilience	15	Product design and lifecycle management
7	Business ethics and compliance	16	Diversity, equity and inclusion
8	Innovation and digitalisation	17	Biodiversity protection
9	Waste management and circular economy		

ESG measures on identified material topics

Environmental

Topic	Our approach and activities	Key actions in FY 2024-25
Water stewardship	<ul style="list-style-type: none"> Reduction in freshwater usage Implementation of water conservation and collection initiatives Enhancement of water storage capacity 	<ul style="list-style-type: none"> YoY 11% reduction in groundwater (freshwater) abstraction YoY 10% increase in outsourced treated sewage water YoY 2% decrease in water intensity/MT of production Augmentation of rainwater collection and utilisation systems Other water saving projects
Emissions management	<ul style="list-style-type: none"> Monitoring and mitigation of Scope 1, 2, and 3 emissions Decrease in Greenhouse Gas (GHG) intensity Investigation of opportunities in sustainable technologies 	<ul style="list-style-type: none"> Maintain an inventory of Scope 1, 2 and 3 emissions ~21% increase in renewable energy share Prioritised energy efficiency measures for reducing the overall Scope 1 and 2 emission intensity
Energy management	<ul style="list-style-type: none"> Adoption of renewable energy resources Deployment of energy-saving measures Decrease in energy consumption intensity 	<ul style="list-style-type: none"> Installed an additional 3 MW capacity of solar power Increased utilisation of Biogas by approx. 19% in canteen operations at Waluj
Sustainable strategy for climate resilience	<ul style="list-style-type: none"> Development of a disaster preparedness plan Assessment of supply chain risks Tracking production interruptions due to raw material shortages 	<ul style="list-style-type: none"> Carried out our climate risk assessment study aligned with IFRS S2 and integrated into the Enterprise Risk Management (ERM) matrix Decarbonisation roadmap to mitigate carbon emissions in a phased manner Conducted supply chain risk assessments of critical raw material suppliers
Waste management and circular economy	<ul style="list-style-type: none"> Material segregation, recycling, and reutilisation Proper disposal of hazardous waste Implementation of Zero Waste to Landfill programmes Innovative Product Design and Life Cycle evaluation 	<ul style="list-style-type: none"> Collaborated with the cement industry for the re-utilisation of ETP sludge in their process, promoting circularity by diverting waste from landfill Commissioned ZLD unit Reutilisation of food waste as fuel by converting it into biogas
Biodiversity protection	<ul style="list-style-type: none"> Preservation of green spaces and around facilities Implementation of initiatives for biodiversity conservation Evaluation of the environmental impact of current and proposed projects and actions 	<ul style="list-style-type: none"> Created awareness sessions on biodiversity at all units Planted 35,701 new trees

Social

Topic	Our approach and activities	Key actions in FY 2024-25
Product quality and safety	<ul style="list-style-type: none"> Adherence to regulatory standards and industry benchmarks for product quality Establishment of mechanisms for addressing grievances Continuous innovation in product development 	<ul style="list-style-type: none"> Integrated advanced technologies, including digitalisation, automation, machine learning, Poka-yoke techniques, and machine upgrades across all operations, enhancing production quality and operational efficiency Developed a secure channel of grievance redressal, common for all the stakeholders
Prioritising occupational health and safety	<ul style="list-style-type: none"> Implementation of measures to enhance employee well-being, health, safety, and motivation Reduction of safety incidents through proactive safety initiatives Adoption of safety protocols for the handling of hazardous materials 	<ul style="list-style-type: none"> Zero fatal incidents in the last 3 years Two more units got ISO 45001 certification Introduced targeted health and safety initiatives, including ergonomic assessments, wellness programmes, and mental health support, fostering a safer and more resilient workplace
Labour management and human rights	<ul style="list-style-type: none"> Assessment of the impact on human rights within the organisation Provision of training for internal and external stakeholders on human rights issues 	<ul style="list-style-type: none"> Conducted an independent external assessment on Human Rights across units Increased Human Rights awareness and training sessions across all units Introducing a digital solution for the Contract Labour Management System across all units
Training, education and well-being	<ul style="list-style-type: none"> Implementation of programmes for employee engagement and recognition Investment in training and skill development initiatives Performance evaluation and provision of fair compensation and incentives 	<ul style="list-style-type: none"> Recorded a 43% increase in per-employee training hours Deepened our investment in learning by integrating UpGrad and Coursera licences into our enterprise learning platform, granting every employee and worker access to world-class content
Product design and life cycle management	<ul style="list-style-type: none"> Promotion of research and development for innovative technologies and materials Responsible disposal practices for end-of-life products, such as tires 	<ul style="list-style-type: none"> Dedicated R&D team focused on sustainable materials and clean technologies operating at Suresh Poddar Innovation Hub, Bhuj Collaborated with academic institutions and startups for joint innovation projects Conducted lifecycle assessments to evaluate the environmental impacts of the tire and carbon black variant
Diversity and inclusion	<ul style="list-style-type: none"> Strategies for talent retention and development Provision of learning opportunities and continuous improvement initiatives for employees 	<ul style="list-style-type: none"> Augmented framework for equal opportunity by strengthening policy framework 20% YoY increase in share of women employees Enhanced digital learning platform for all employees

Governance

Topic	Our approach and activities	Key actions in FY 2024-25
Corporate governance	<ul style="list-style-type: none"> Establishment of a transparent Board structure Integration of risk mitigation and governance processes Effective communication with stakeholders Management of brand reputation and investments in socially responsible ventures 	<ul style="list-style-type: none"> Introduced Tax Strategy policy, Business Continuity policy Conducted ESG training session for Board of Directors Augmented Enterprise Risk Management
Business ethics and compliance	<ul style="list-style-type: none"> Continuance of maintaining ethical decision-making frameworks Commitment to transparency through comprehensive disclosures of financial and ESG practices 	<ul style="list-style-type: none"> Integrated ethical risk assessments into strategic planning and operational reviews Enhanced ESG disclosures in line with GRI Standards, SASB, and mapped with UN SDG principles Disclosures on climate-related financial risks and opportunities in alignment with the TCFD framework
Innovation and digitalisation	<ul style="list-style-type: none"> Integration of sustainability considerations into innovation initiatives Documentation of patents obtained and applied for each fiscal year Development of policies for data collection, protection and privacy Implementation of robust IT security measures and management practices 	<ul style="list-style-type: none"> Implemented on the ESG data repository tool and transitioned to a digitised GHG inventory system, enabling continuous monitoring and consistent reporting
Ethical procurement	<ul style="list-style-type: none"> Adoption of a sustainable procurement policy Ensuring the rights and well-being of individuals across the supply chain 	<ul style="list-style-type: none"> Provided capability building sessions to value chain partners on BRSR principles Initiated ESG assessments to evaluate sustainability performance and compliance for both new and existing suppliers Prioritised sourcing from vendors committed to ethical labour practices and low carbon operations
Sustainable supply chain	<ul style="list-style-type: none"> Emphasis on sustainable and responsible sourcing practices Preference for local and sustainable procurement options Identification and mitigation of supply chain risks Evaluation of supplier ESG performance, provision of training, and promoting ESG awareness 	<ul style="list-style-type: none"> Initiated ESG assessments to evaluate sustainability performance and compliance for both new and existing suppliers Prioritised sourcing from vendors dedicated to labour practices and low carbon operations Introduced Natural Rubber Procurement policy aligning with our membership to Global Platform for Sustainable Natural Rubber (GPSNR)

Our governance

Linking with UN SDGs



Message from the Company Secretary	46
Economic performance	47
Strengthening financial foundations for future prosperity	49
Message from the Deputy Chief Financial Officer	50
Tax strategy	52
Corporate governance	53
Board of Directors	54
Business ethics and compliance	60
Message from the Chief Financial Officer	63
Policies and undertakings	64
Risk management	66
Ethical procurement	68
Sustainable supply chain	70
Enhancing operational efficiency and sustainability	72
Innovation and digitalisation	73
Research and development	78

EBITDA

Gross operating Profit ₹ Crores



FY 2023-2024
2,651.78

FY 2024-2025
2,955.03

REVENUE

Expressed in ₹ Crores



FY 2023-2024
9,298.70

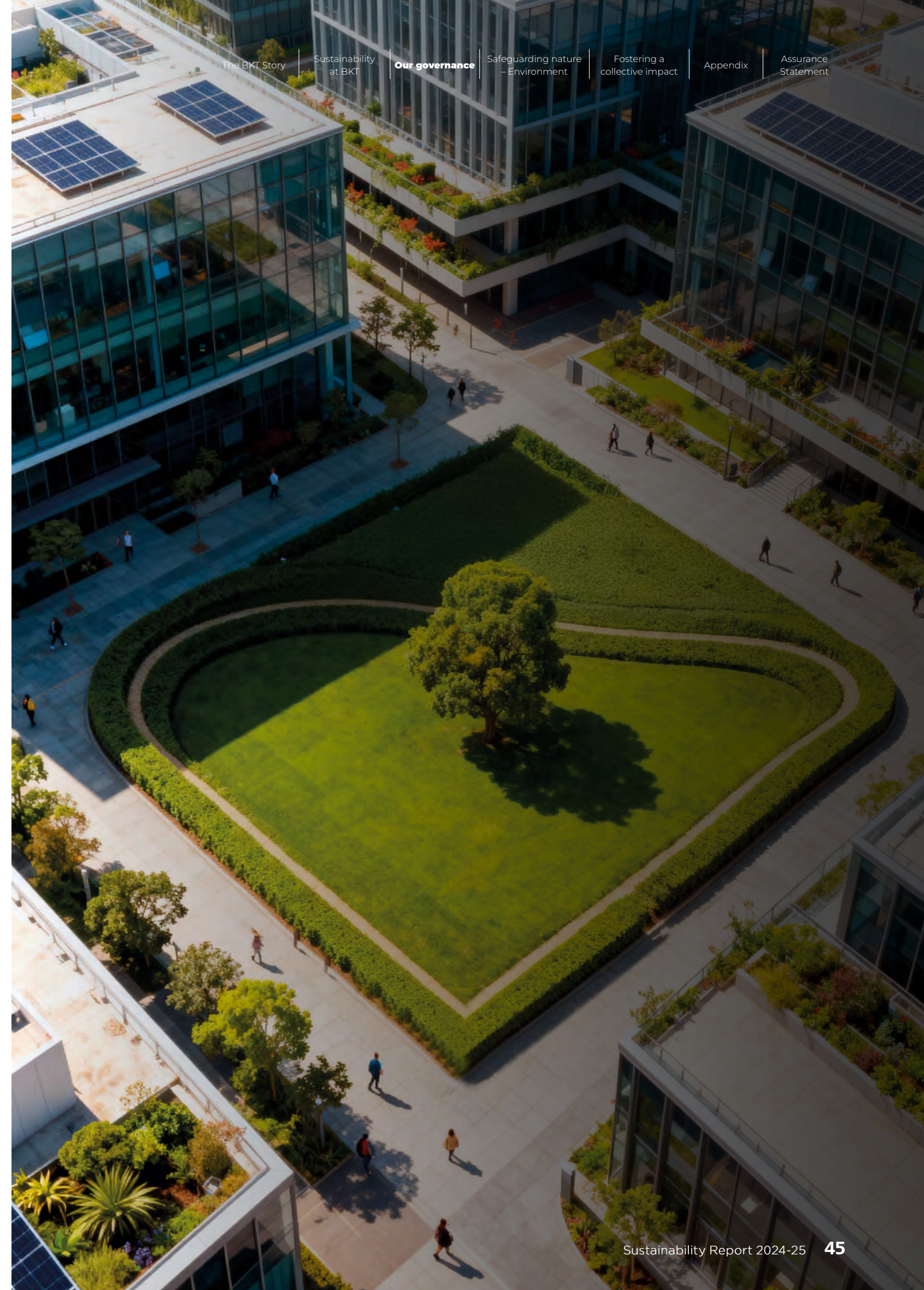
FY 2024-2025
10,412.88

Our focus areas

- Quality Management**
- Data Privacy**
- Sustainable supply chain**
- Corporate governance**
- Ethical procurement**
- Innovation and digitisation**
- Economic performance**
- Business ethics and compliance**

Key performance

Focus areas	Performance FY 2024-25	Targets and Commitment
Quality management	100% of tire manufacturing units are certified with ISO 9001:2015 certification	ISCC Plus Certification for our Carbon Black manufacturing unit
Data privacy	Zero Incidents of data loss	ISO 27100 across all operational units by 2028
Sustainable supply chain	100% New suppliers assessed on environment and social criteria	ISO 20400 Compliant supply chain practices by FY 2030



Message from the Company Secretary



Business excellence is the cornerstone of this journey. We view compliance as a dynamic system that must evolve in tandem with shifting societal norms and regulatory landscapes. To that end, quarterly compliance audits are conducted across all units to ensure real time monitoring and swift remediation of any gaps. Our governance framework integrates the principles encapsulated in the Environmental, Social and Governance (ESG) standards.

Sustainability continues to serve as a fundamental pillar of BKT's corporate philosophy, shaping not only our strategic direction but also the day-to-day decisions that define how we operate. In an environment marked by profound environmental, social and economic turmoil, our investors, customers, employees and other stakeholders rightly expect us to move beyond rhetoric and bring tangible solutions to the fore. To meet these expectations, we have accelerated capital investments in cleaner technologies, embedded sustainability targets in every major business plan and refined operating practices across our mining, agriculture and off-highway tire portfolios. These steps position BKT to help build a safer, more sustainable world while delivering superior value to our stakeholders.

Over the past year, the Board of Directors participated in the sustainability awareness sessions designed to deepen understanding of climate related risks, human rights due diligence and emerging ESG disclosure requirements. Board level oversight is further reinforced through the Business Responsibility and Sustainability Committee, which convenes to review our environmental and social performance, evaluate emerging risks and opportunities and recommend course corrective actions where necessary.

A unit visit provided key shareholders with first-hand insight into our operational capabilities, strengthening investor confidence in our governance framework and reinforcing trust.

The brand strength acts as a hallmark of quality for customers, a beacon for prospective partners and employees, a robust driver of margin resilience as we expand into adjacent markets. Our suite of Business Responsibility Policies, refined and expanded substantive updates in the last twelve months, is publicly available in the Investor Desk section of our [corporate website](#). These documents articulate specific commitments on policies, thereby translating our values into measurable performance standards.

Our ability to deliver consistent, long term value rests upon three interlocking levers: an unyielding dedication to sustainability, a governance model that embeds rigorous compliance and board stewardship, and a brand whose vitality magnifies our strategic reach. We recognise that the landscape ahead will demand continuous improvement and we remain steadfast in our pledge to innovate responsibly, operate transparently and grow sustainably.

On behalf of the Board, I thank you for your continued trust and support.

Vipul Shah

Whole Time Director and Company Secretary

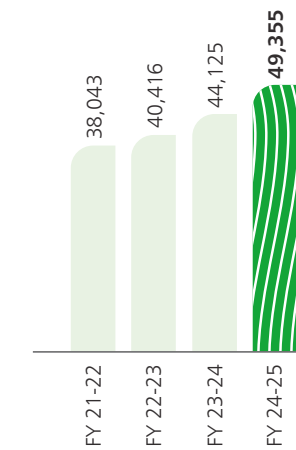
Economic performance

The pursuit of sustainable development is essential for our economic growth. At BKT, we prioritise both financial and non-financial performance metrics to achieve short-term economic goals while maintaining operational excellence. We provide stakeholders with clear and comprehensive insights into our financial performance, highlighting our contributions to sustainable economic growth.

Our economic achievements are a testament to our strategic initiatives, which focuses on innovation, operational efficiency and market expansion. By continuously investing in research and development, we can introduce cutting-edge products that meet the evolving needs of our customers while maintaining competitive pricing. We aim to foster value creation through profitability by responsibly enhancing key economic indicators.

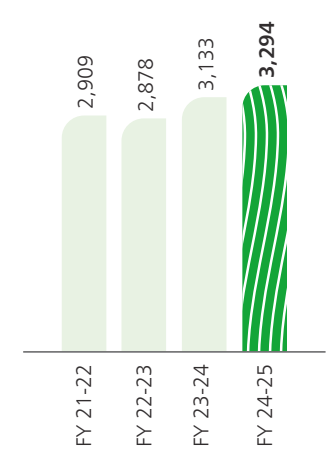
Employee wages and benefits

(₹ in Lakhs)



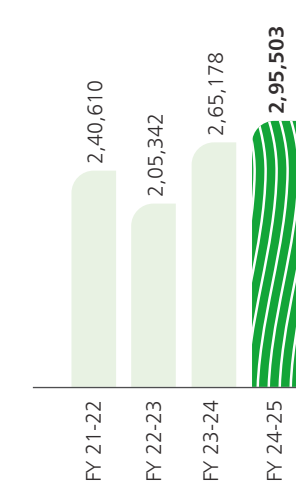
Community investments

(₹ in Lakhs)



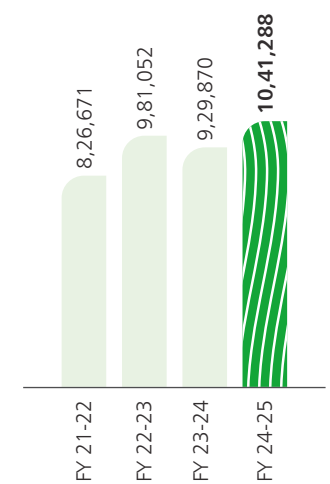
EBITDA

(₹ in Lakhs)



Revenue

(₹ in Lakhs)





The Board of Directors establishes guidelines to ensure that all business processes comply with economic, ethical, and legal standards. The Board meticulously monitors the effective and efficient utilisation of resources, maintains an optimal capital structure and oversees investment decisions. This governance extends to innovation, manufacturing, financial stability, and resource allocation, all aimed at positively influencing economic performance.

We facilitate the import of capital goods, which are essential for producing high-quality goods and corresponding services, thereby augmenting India's export competitiveness. During the reporting period, our organisation received significant financial assistance from the government, amounting to ₹806 Lakhs in subsidies, ₹2,670 Lakhs in financial incentives. This initiative, fundamental to the Indian

government's strategy, facilitates exports by allowing duty-free importation of capital goods crucial for production. The EPCG scheme plays a pivotal role in fostering manufacturing competitiveness by alleviating customs duties on imported capital goods and enhancing the global market viability of Indian exports.

We have made significant infrastructure investments and supported various services that positively impact communities and local economies. As part of our community development initiative, we make investments and carry out various activities for local communities as per need assessments.

Furthermore, we transparently disclose how we allocate resources towards projects along with their operational impacts. This includes detailing investments in community development, along with the types of

services these infrastructures enable or support. In compliance with the Companies Act, 2013, we are required to report on the economic effects we generate through our partnerships and other indirect contributions in the Annexure-II section of our Annual Report of FY 2024-25, which details the Corporate Social Responsibility (CSR) activities we have undertaken.

We actively engage with local suppliers and partners, fostering economic development and job creation within our supply chain. This approach strengthens our business relationships and supports the economic resilience of the regions we serve. It helps us to highlight our broader economic footprint beyond direct operations, illustrating our Company's role in driving economic activity and fostering socio-economic development in various communities.

Strengthening financial foundations for future prosperity

We achieved our highest-ever annual volumes of 3,15,273 MT, marking an 8% year-on-year increase. Standalone revenue rose by 12% to H10,413 Crores, while EBITDA grew by 11% to H2,955 Crores. Net profit stood at H1,628 Crores, reflecting a 13% year-on-year growth. Our strong fiscal discipline, effective cost control, and strategic foresight were further validated by updating CRISIL rating from AA to AA+. BKT reaffirmed its commitment to financial stability by successfully reducing net debt from H1,639.80 Crores in FY 2023-24 to H1,452.90 Crores in FY 2024-25, resulting in an impressive 11% decrease in net debt over the financial year.



Message from the Deputy Chief Financial Officer



At BKT, we define success not only through financial performance but also through resilience, governance, and sustainability. In FY 2024-25, we delivered revenues of ₹10,412.88 Crores and EBITDA of ₹2,955 Crores. Strong business performance and strong financial covenants enabled us to upgrade our CRISIL credit rating from **AA with Positive Outlook** to **AA+ with Stable Outlook**.

As Deputy CFO, beyond my core functional responsibilities, I have direct oversight of ESG, Compliance, and Risk Management. This cross-functional mandate allows me to weave sustainability, governance, and resilience into the fabric of our growth journey. It helps us pursue ambition with responsibility, strengthen trust with stakeholders, and ensure that every step forward creates value that is both enduring and ethical. By integrating these dimensions, we not only safeguard today's performance but also shape a stronger, more sustainable future for BKT.

Our risk framework is an inclusive process, engaging every plant and function to pro-actively identify, assess, and mitigate risks. Insights from these cross-functional reviews flow into structured deliberations at the Board level, ensuring that enterprise risk management, business continuity, and regulatory preparedness are firmly embedded into our governance fabric. This collective approach strengthens BKT's resilience against economic, geopolitical, and environmental uncertainties.

I maintain structured engagement with internal and external stakeholders

— including bankers, investors, regulators, and rating agencies — ensuring transparency, compliance, and accountability. This disciplined approach reinforces BKT's governance standards and supports sustained market confidence.

Looking ahead, our focus remains clear: to uphold uncompromising financial discipline, deepen resilience, and drive sustainable growth that creates enduring value for all stakeholders.

Ravi Joshi
Deputy Chief Financial Officer

Investor's meet

INVESTORS MEET AT THE BHUJ UNIT (MARCH 2025)

We had the pleasure of hosting our esteemed investors at the much-awaited Investor Meet, an event marked by meaningful engagement and insightful discussions. At our Bhuj Unit, we reflected on our recent journey, celebrating significant milestones and highlighting our robust financial performance. We also provided an immersive experience into our operational excellence, state-of-the-art infrastructure, and impressive scale of operations, while unveiling our roadmap for the

next phase of growth. We shared our strategic vision focused on innovation, expansion and long-term value creation. The event concluded on an optimistic note, leaving us all energised and aligned as we move forward towards the exciting opportunities that lie ahead.



I was very impressed to learn how in-house carbon black production has made the whole tire manufacturing process more energy efficient at BKT Bhuj Unit. A very impressive integrated manufacturing facility".

Sonal Gupta
Head of Research Equities,
HSBC Asset Management India



Balkrishna Industries Limited (BKT) demonstrates an exemplary commitment to sustainability at its Bhuj unit, showcasing its dedication to environmental responsibility and sustainable growth. Here are a couple of notable points highlighting their efforts:

Eco-friendly manufacturing practices

The Bhuj unit, a cornerstone of BKT's manufacturing prowess, integrates advanced technologies to minimise environmental impact. By adopting energy-efficient processes and reducing polythene usage, significantly lowered our carbon footprint, aligning with

global sustainability standards and reinforcing our role as a responsible tire manufacturer.

Water and waste management

BKT's commitment to sustainability is evident in its proactive approach to resource conservation at the Bhuj facility. The unit employs robust waste management systems and water reduction strategies, achieving a notable decrease in water intensity. These efforts, coupled with ISO 9001:2015 certification, underscore our leadership in fostering a greener, more sustainable future for the industry.

These initiatives reflect Balkrishna Industries' forward-thinking vision, positioning the Bhuj Unit as a model for sustainable manufacturing excellence"

Raghunandhan N L
Executive Director, Nuvama Institutional Equities

Tax strategy

We acknowledge the importance of fulfilling tax obligations and leveraging available incentives while adhering to legal requirements. This year, we have released a comprehensive **Tax Strategy Policy** to further enhance our approach. The Finance and Accounts team is responsible for managing tax strategies and addressing stakeholder concerns. We employ a thorough approach to identify, manage, mitigate, and control tax risks, enabling us to remain compliant with regulations. Our processes are designed to prevent any unlawful tax practices, reflecting our cooperation with tax authorities in all jurisdictions where we operate. The tax data we use is derived from independently audited consolidated financial statements, ensuring transparency and accountability.

The Board conducts regular reviews of our tax strategies, filings, and provisions to align with our Company's objectives and any regulatory updates. The internal tax team provides periodic updates to the Board, so that tax risks are monitored, managed and mitigated effectively, thereby maintaining compliance. Our approach to tax is integrated with our business strategy, and we emphasise the economic and social impacts of our tax practices, striving to contribute positively to the communities in which we operate.

Our governance on tax strategy is overseen by our Deputy Chief Financial Officer (Deputy CFO). We adopt a proactive approach to managing tax risks through robust internal controls. Compliance with tax laws is verified through internal audits of our policies and procedures. We regularly engage and cooperate with tax authorities regarding our tax affairs. We have a grievance redressal mechanism established to collect and consider stakeholder views and concerns related to tax. This engagement helps us maintain trust and uphold our commitment towards ethical and responsible tax practices.

Defined benefit plan obligations and other retirement plans:

Our dedicated employees are the driving force behind our Company's achievements and long-term vision. To support the well-being of our staff and their families, we have implemented a variety of policies tailored to their needs. Each employee is entitled to social benefits, such as insurance and maternal leave, as

outlined by company policies and local union agreements.

Our health benefits plan includes coverage for insurance premiums paid to insurers, which encompass hospital stays and specific critical medical conditions. Additionally, termination benefits, whether due to organisational restructuring or voluntary retirement, are documented in our consolidated financial statements.



Corporate governance

Board oversight

Through a comprehensive and effective governance framework, our Board of Directors have meticulous oversight over company operations and leads the charge in executing our ESG (Environmental, Social and Governance) initiatives. Our Key Management Personnel (KMPs) are dedicated to aligning the Company's strategic goals with sustainable development and overseeing the implementation of these initiatives. They put into action the policies set by the Board, manage sustainability projects and continually assess their performance and impact.

Our Board members bring a wealth of diverse skills and expertise essential to our organisation. Their competencies include industry knowledge, financial insight, legal proficiency, operational experience, strategic planning, ESG and other relevant abilities. The Board is instrumental in defining the vision, mission, and long-term objectives of the organisation. By offering strategic guidance, the Board ensures that the organisation remains focused on its goals and true to its purpose.

We are actively working to embed sustainability into our broader corporate processes, aiming for a lasting commitment to sustainable growth. This strategy, crafted and executed by our Corporate Sustainability team, is regularly reviewed by the Board of Directors and its Business Responsibility

and Sustainability Committee. Our strategy effectively supports our goal of creating long-term, sustainable value. The Business Responsibility and Sustainability Reporting (BRSR) Committee receives quarterly updates on the progress of sustainability initiatives. The main goal of the Business Responsibility and Sustainability Committee is to help the Company consistently create sustainable value. This Committee is responsible for decision-making and overseeing the management of our impacts on the economy, environment, and people.

The Committee plays a crucial role in developing, approving, and updating the Company's purpose, values,

mission statements, strategies, policies, and goals related to sustainable development. It oversees due diligence and other processes to identify and manage our impacts, engaging with stakeholders to support these processes and considering their outcomes. The Committee reviews the effectiveness of these processes and meets half-yearly to assess progress on ESG KPIs and identify emerging risks and opportunities. Throughout the financial year, training and awareness sessions are organised for Board members, supported by KMPs, to enhance their understanding and oversight of these initiatives.



BOARD OF DIRECTORS



Arvind Poddar

Chairman, Managing Director and member of Business Responsibility and Sustainability Committee



Rajiv Poddar

Joint Managing Director and member of Business Responsibility and Sustainability Committee



Vipul Shah

Director and Company Secretary



Mrs. Vijaylaxmi Poddar

Non-Executive — Non-Independent Director



Pannkaj Ghadiali

Non-Executive – Independent Director and Chairman of Business Responsibility and Sustainability Committee



Mrs. Shruti Shah

Non-Executive – Independent Director



Laxmidas Merchant

Non-Executive – Independent Director



Rahul Dutt

Non-Executive – Independent Director

Board committees and their responsibilities

The Board of Directors has set up specific sub-committees to address different business areas, including strategic planning, financial oversight, auditing, corporate social responsibility, risk management, stakeholder relations and sustainability. This setup helps to distribute responsibilities in line with our organisational aims. These sub-committees are responsible for quarterly reviews of our ESG performance metrics, where they analyse and evaluate the results.

The Board, drawing on insights from the Audit, Finance, Nomination and Remuneration, Stakeholder Relationship, Risk Management, CSR, and Business Responsibility and Sustainability Reporting (BRSR) committees, shapes the Company's overall strategy. These sub-committees are empowered to access necessary business information and collaborate with various departments to fulfil

their duties effectively. The Company Secretary ensures all these activities are well-coordinated and aligned with our strategic objectives.

The Board assigns the management of financial impacts, risk mitigation, corporate social responsibility, stakeholder relationships and employee engagement to various internal committees as detailed below. In terms of our Sustainability Governance structure, the Board, with support from the Business Responsibility and Sustainability Committee, reviews and approves ESG initiatives across our operations. These decisions are made in partnership with our Managing Director and coordinated with the Sustainability team. As per the materiality assessment conducted in FY 2023-24, we concentrate on ESG risks and opportunities related to corporate governance, product quality, business ethics, innovation and digitisation, emissions, energy management, climate resilience and circular economy. The Board

diligently reviews its material topics to solidify alignment with our strategic objectives. The highest governance body is also responsible for reviewing and approving the reported information, including material topics, ensuring transparency and accountability. Measures are taken to advance the collective knowledge, skills and experience of the Committee on sustainable development, fostering a culture of continuous improvement and innovation.

Within our Board, the Managing Director oversees sustainability initiatives in our business operations and stakeholder engagements. The Sustainability team works with representatives from key departments across the organisation for continuous monitoring of strategic programmes and ESG initiatives. This thorough approach ensures our governance framework remains robust and adaptable to the changing business environment, contributing to the long-term success and sustainability of our organisation.



Sustainability governance framework



BUSINESS RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

This Committee provides strategic direction and oversight in framing the ESG strategy and roadmap. ESG policies, initiatives and performance are reviewed by this Committee, chaired by our Independent Director.

- SCOPE**
- Review and release of BRSR report
 - Formulate ESG strategies
 - Review policies and standards
 - Oversee reporting and disclosure
 - Drive innovation and enhancement

SUSTAINABILITY TEAM

Oversees the execution of the ESG strategy into actionable initiatives across departments. Quarterly meetings are held to evaluate progress on identified ESG KPIs and to identify emerging ESG risks and opportunities.

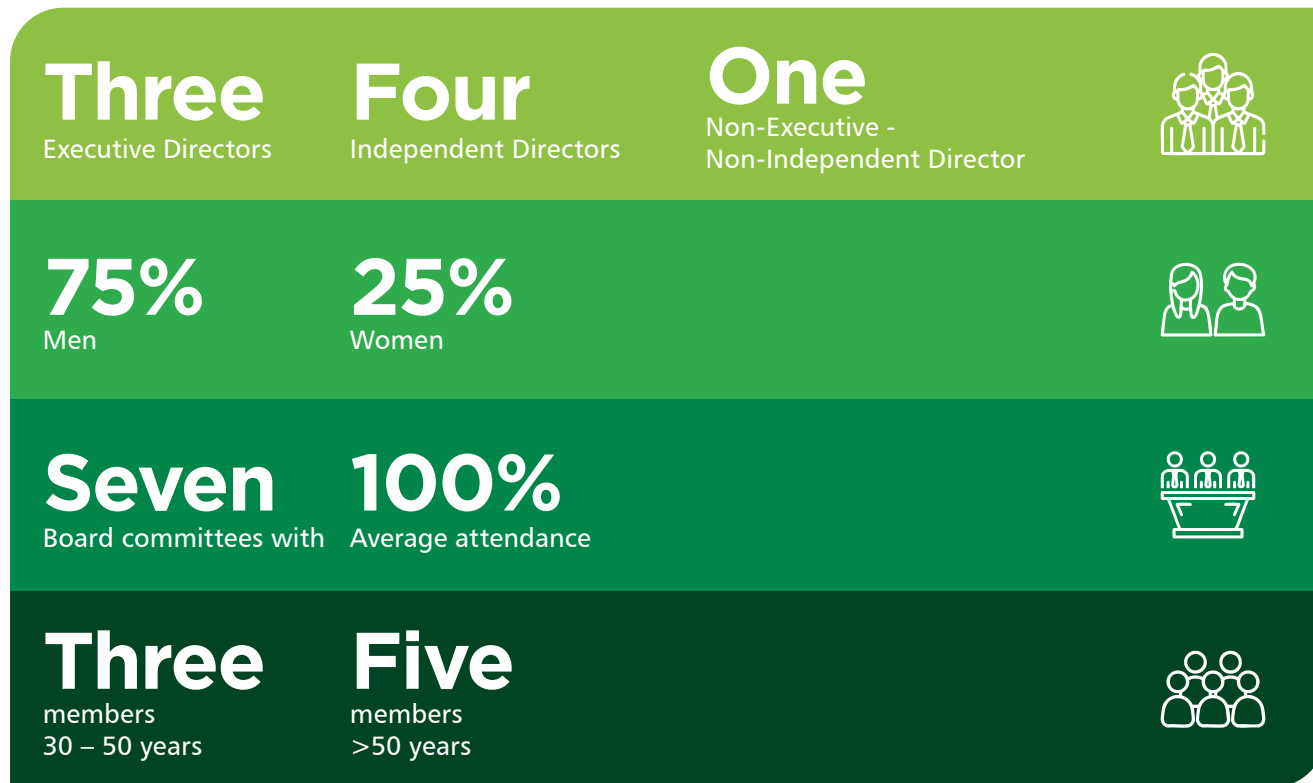
- SCOPE**
- Coordinate and monitor the sustainability strategy and performance
 - Facilitate dialogue with the BRSR Committee

WORKING GROUPS

Under the Sustainability Team's guidance, a network of working groups, overseen by functional heads, ensures the daily execution of the ESG initiatives. These functional heads aim to integrate the strategies throughout the organisation and are responsible for regularly reviewing progress.

- SCOPE**
- Implementation of sustainability initiatives
 - Conduct capacity building and training sessions
 - Collect and report data on various ESG parameters

Board diversity highlights



In today's dynamic business environment, Board diversity is not just a matter of compliance but a strategic advantage. A diverse Board brings a wealth of perspectives, fostering innovation and enhancing the quality of decision-making. It reflects the varied backgrounds, experiences and viewpoints that are essential for understanding and addressing the complex challenges faced by the tire business. By embracing diversity, we can better anticipate market trends, meet the needs of a diverse customer base and drive sustainable growth.

We are dedicated to promoting diversity within our Board of Directors, understanding that it greatly enhances the Board's collective knowledge and enriches our decision-making processes. Our Board includes

individuals with a variety of attributes, such as age, gender, educational backgrounds, professional experiences and areas of expertise. This diversity expands our viewpoints and bolsters our governance practices. Regular training and awareness programmes for Board members on sustainability and ESG topics are conducted during Board meetings. Thereby, the Board stays informed about the latest trends and best practices in sustainability.

Having an independent and diverse Board leadership is essential for robust corporate governance, improving the Board's ability to oversee management, operations, and to evaluate risks and opportunities. The nomination and selection processes for this Committee ensure a diverse and skilled membership,

reflecting strategic requirements and corporate culture. In line with statutory requirements, the Nomination and Remuneration Committee carefully reviews each candidate's profile before appointment to assess their suitability for the role and ensure they possess the necessary expertise to positively impact the Company's direction. The Independent Directors of the Company are also tasked with evaluating the performance of Key Management Personnel (KMPs). Detailed insights into the nomination and remuneration processes of our Board of Directors, as well as the performance evaluations of our key management personnel, can be referred to in the detailed disclosures provided in the [Annual Report for FY 2024-25](#).

Membership associations

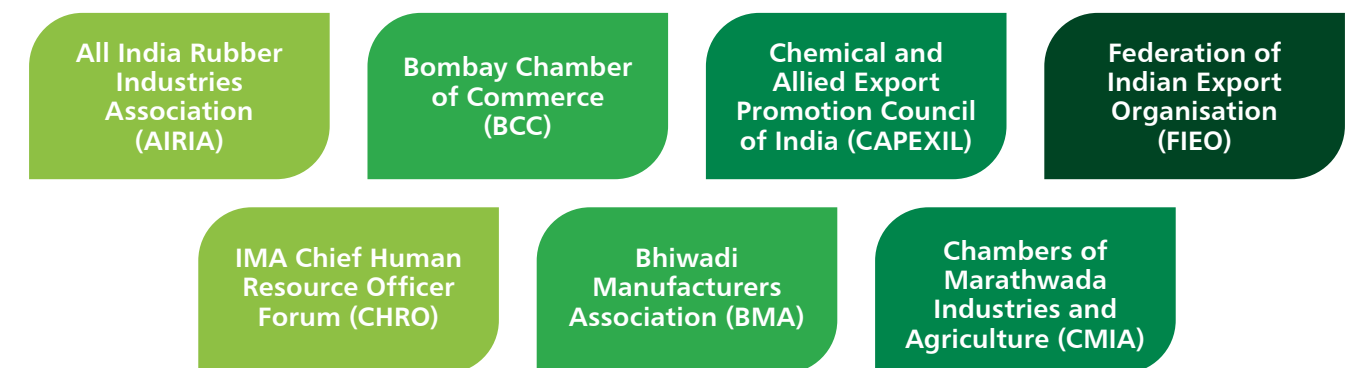
Our active involvement in industry membership associations underscores our dedication to responsible business practices. By participating in these associations, we gain access to valuable resources and insights that help us stay abreast of the latest industry trends and regulatory changes. We are currently involved with various leading trade and industry chambers and associations to foster sustainability initiatives and align our practices with global benchmarks.

This engagement enables us to adopt best practices in environmental, social, and governance (ESG) areas, fostering continuous improvement in our operations. Membership in these associations also facilitates collaboration with other industry leaders, allowing us to collectively address critical sustainability challenges such as reducing carbon emissions, promoting circular economy principles and enhancing supply chain transparency. Through these collaborative efforts, we contribute to the development of industry-wide

standards and initiatives that drive positive environmental and social impacts. Moreover, our association memberships provide opportunities for professional development and training, ensuring that our employees are well-equipped with the knowledge and skills needed to implement sustainable practices.

This enhances our organisational capabilities and strengthens our credibility among stakeholders, including customers, partners, and investors.

Our engagement and collaboration at the regional and international levels include:



While our engagement and collaboration at the international level include:



This year, we are proud to announce our membership in two prestigious international associations: the Tire and Rubber Association of Canada and the Global Platform for Sustainable Natural Rubber (GPSNR). These memberships reflect our stance towards advancing industry standards and promoting sustainable practices.

The contribution made to joining these associations is a strategic investment in our infrastructure and supports our broader sustainability and ESG goals. By aligning with these organisations, we gain access to valuable resources, industry insights and collaborative opportunities that enhance our ability to innovate and implement sustainable

solutions. These investments are not merely financial commitments; they represent our dedication to fostering a sustainable future. The knowledge and networks we gain through these memberships will enable us to drive positive change within our industry and contribute to the global sustainability agenda.

Business ethics and compliance



Incorporating robust business ethics and compliance practices is essential for any company striving to excel in sustainability. These principles form the backbone of our governance model, ensuring that we operate with integrity, transparency, and accountability. By embedding ethical conduct and compliance into our core operations, we safeguard our reputation and build trust with our stakeholders, paving the way for long-term success.

At BKT, we foster a culture of ethics and compliance within our operations and in our interactions with third parties. We protect adherence to our standards through rigorous internal procedures, regularly validated by our internal control and audit processes. We encourage both employees and external stakeholders to report any suspected violations of our Code of Conduct. To facilitate this, we provide a whistleblower email

ID that ensures anonymity and protection against retaliation.

Our Board of Directors play a crucial role in our corporate governance, embedding ethical considerations into our strategic decision-making. The Board oversees management actions and safeguards stakeholder interests. As part of our internal audit system, all manufacturing locations and offices undergo risk assessments in line with the Code of Conduct. Any significant concerns identified are communicated to the governance body during scheduled Board meetings. Notably, during the current reporting period, there were no significant issues related to potential or actual negative impacts on stakeholders raised through our grievance mechanisms or other processes, resulting in no critical concerns being reported to the governance body.

GRIEVANCE REDRESSAL MECHANISM

We actively involve stakeholders in the design, review, operation, and improvement of our grievance mechanisms. This collaborative approach ensures that the mechanisms are user-friendly and meet the needs of those they are intended to serve. These systems are designed to be accessible and confidential, encouraging individuals to report any issues without fear of retaliation. By providing multiple channels for raising concerns, we ensure that all voices are heard and that we can address any issues promptly and effectively.

Long-term success for our Company depends on our ability to consistently perform and maintain the trust of our workforce, customers, suppliers, shareholders and society. We expect every employee to act with integrity, a principle that has been the foundation of our corporate culture for over six decades. Any deviation from these standards could jeopardise our reputation and stakeholder relationships. We manage compliance and risk in a coordinated, comprehensive and value-driven manner.

SAFEGUARDS AGAINST CONFLICT OF INTEREST

At BKT, our highest governance body is pledged to preventing and mitigating conflicts of interest through a robust framework. This includes clearly defined guidelines that identify potential conflicts and mandate regular disclosures from all members. We conduct thorough reviews of disclosed interests and require members to recuse themselves from decision-making processes where conflicts may arise. Additionally, we provide ongoing training and education to ensure that all members are well-informed on identifying and managing conflicts effectively. Continuous policy reviews and independent oversight further ensure that our governance practices align with the best interests of the organisation and our stakeholders.

Our interactions with other institutions are governed by principles of transparency, legitimacy and accountability. In line with these principles, the total monetary value of both financial and in-kind political contributions made directly or indirectly by our organisation is zero. Our Code of Conduct policy enforces compliance with the Anti-Corruption and Bribery clause, and through our awareness programmes, all employees and workers are educated on these principles. During FY 2024-25, our Company was not involved in any material legal proceedings or significant investigations related to allegations of anti-competitive actions.

We have established clear mechanisms for individuals to seek advice on implementing our policies and practices for responsible business conduct. These mechanisms provide guidance and support to our employees and stakeholders who can navigate our policies effectively. Our approach includes a comprehensive framework for identifying and addressing grievances through established grievance

ZERO TOLERANCE TOWARDS BRIBERY AND CORRUPTION

We uphold a zero-tolerance approach towards corruption and bribery. During the financial year, no incidents of non-compliance were recorded within the Company's operations, and no contracts with business partners were terminated or not renewed due to corruption-related violations. Additionally, we have a whistleblower, Anti-bribery and Anti-corruption policy in place for all stakeholders, allowing them to report any non-compliance or suspected non-compliance with our Code of Conduct principles directly to the Chairman of the Audit Committee.

mechanisms. Our [Grievance Redressal Portal](#) is designed to ensure that all stakeholders have a voice and can report concerns effectively. We undertake continuous efforts to improve and upkeep these mechanisms, incorporating feedback and best practices to enhance their effectiveness. Through these measures, we aim to uphold the highest standards of integrity and accountability in all our operations.

To further strengthen this framework, we have introduced a dedicated Compliance Portal that centralises access to policies, procedures, and reporting channels. This platform facilitates transparency and empowers employees and stakeholders to raise queries or report concerns with ease and confidentiality. Complementing this, a structured review mechanism has been instituted to periodically evaluate the effectiveness of our compliance and grievance processes. These reviews ensure alignment with evolving regulatory requirements, industry best practices, and stakeholder expectations, thereby reinforcing our commitment to integrity, accountability and continuous improvement.

Upholding ethical standards through comprehensive training programmes

BKT is steadfast in its commitment to nurturing a culture of integrity, ensuring every associate thoroughly understands and adheres to our fundamental ethical policies.

We offer a wide range of educational initiatives aimed at bolstering our values and corporate guidelines, which

are crucial for maintaining ethical conduct throughout our operations. Each year, BKT mandates that all employees review and affirm their comprehension of the BKT policies. These policies are crafted to ensure compliance with legal frameworks and foster ethical behaviour across all levels of the organisation.

To solidify this foundation, new hires begin their journey with sessions focused on essential topics such as

the Code of Conduct, Anti-Bribery and Anti-Corruption, Ethics Transparency and Accountability, Human rights, POSH during the onboarding process. Necessary internal/external audits are conducted on applicable compliance and laws to upkeep the system risk free. This comprehensive approach ensures that employees are well-equipped with our key ethical standards from the very start, laying the groundwork for a principled and responsible organisational culture.

Message from the Chief Financial Officer



At BKT, our vision for leadership lies in delivering value — responsibly, strategically, and sustainably. In FY 2024-25, we continued to demonstrate financial discipline and operational resilience, achieving revenues of ₹10,412.88 Crores and an EBITDA of ₹2,955 Crores. We fortified our financial stability by reducing net debt by 11%, bringing it down from ₹1,639.80 Crores to ₹1,452.90 Crores. This resulted in an improved net debt-to-equity ratio of 0.31 and a refined net debt-to-EBITDA ratio of 1.09, reinforcing our long-term goal of balance sheet deleveraging and sustainable capital management.

Our global forecasting capabilities allow us to anticipate market shifts, secure growth opportunities, and drive expansion in both established and emerging territories. From overseeing all purchase functions to conducting detailed cost analyses, I work closely with teams to ensure operational efficiency while fostering partnerships

that strengthen our supply chain and market position.

Sustainability objectives are now formally integrated into our supplier selection scorecards. Anchoring our procurement strategy in these criteria, we assure stakeholders that our entire value chain reflects BKT's values of quality, trust and excellence.

Beyond financial stewardship, I lead exploring new business opportunities with strategic foresight, including renewable energy initiatives and advanced recycling units efforts that open new revenue streams and deepen our ESG commitment. We have integrated recycled materials, including crumb rubber

and recovered carbon black, into our manufacturing processes.

My role also takes me to every BKT unit, ensuring that our strategies are grounded in operational reality, our teams remain empowered, and our standards are consistently met. As we look ahead, my focus remains clear: to grow responsibly, reduce borrowings, optimise working capital and deliver global growth strategies that align with our sustainability goals while empowering our communities and staying true to our values.

Madhusudan Bajaj
Senior President and Director
(Commercial) and CFO



ESG AND BRSR WORKSHOP FOR THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In March 2025, a workshop was conducted for the Board of Directors and Key Managerial Personnel on Environmental, Social, and Governance (ESG), with a focus on Business Responsibility and Sustainability Reporting (BRSR) aligned to the National Guidelines on Responsible Business Conduct (NGRBC). The session aimed to strengthen the Board's strategic understanding of ESG and its role in driving sustainable growth. It emphasised regulatory alignment, risk management, ethical governance, and the integration of ESG into corporate strategy. The training also enhanced stakeholder engagement and improved oversight of ESG disclosures, fostering a culture of sustainability and responsible business practices across the organisation.



Policies and undertakings

In today's rapidly evolving business landscape, the integration of sustainability into corporate policies is inevitable. By embedding sustainability into every facet of our business, our practices comply with regulatory standards and contribute to the well-being of our planet and society. Our comprehensive approach to policymaking encompasses ethical responsibility and long-term viability. For more details, please visit the Shareholders Information section in the Investors Desk on our Company website: <https://www.bkt-tires.com/in/en/investors-desk>.



Our policies are designed to promote transparency, accountability, and respect, reflecting our core values and ethical standards. At BKT, all new hires must acknowledge and sign the Code of Conduct during their onboarding, affirming their adherence to these principles. We also conduct regular training sessions so that all employees are well-versed in our business responsibility policies. Additionally, the policies uploaded to our website are approved by the Board of Directors. This year, we have introduced several new policies and continue to add more after Board review, ensuring compliance and maintaining our leadership in industry-wide ESG principles.

These policies apply to all respective employees and workers of our Company, with certain policies extending across the value chain. As of the current reporting period, key sustainability-related policies include:

- [Ethics, Transparency, and Accountability Policy](#)
- [Cyber Security and Data Privacy Policy](#)
- [Anti-Bribery and Anti-Corruption Policy](#)
- [Advocacy Policy](#)
- [Code of Conduct Policy](#)
- [Customer Relationship Policy](#)
- [Environment, Health and Safety Policy](#)
- [Employee Welfare Policy](#)
- [Inclusive Growth and Equitable Development Policy](#)
- [Business Continuity Policy](#)
- [Labour and Human Rights Policy](#)
- [Stakeholder Relationship Policy](#)
- [Sustainable Development Policy](#)
- [Diversity and Inclusion Policy](#)
- [Nomination and Remuneration Policy](#)
- [Vigil Mechanism and Whistle Blower](#)
- [Prevention of Sexual Harassment](#)
- [Preservation of Documents Policy](#)
- [HIV-AIDS Workplace Policy](#)
- [Equal Opportunity Policy](#)
- [Tax Strategy Policy](#)
- [Natural rubber procurement policy](#)

Our respect for human rights is embedded in our policies and practices, ensuring that we operate with integrity and fairness. We have established a Labour and Human Rights Policy that covers a wide range of internationally recognised human rights. By prioritising the dignity and rights of all individuals, we foster a safe and inclusive work environment where every employee can thrive. Through continuous education,

training, and engagement initiatives, we empower our workforce to thrive professionally while safeguarding their fundamental rights.

Central to our corporate philosophy is a sustainability strategy that is seamlessly integrated with our overarching policies. Through carefully designed frameworks and practices, we incorporate sustainability into every aspect of our operations, from

procurement and production to distribution and customer engagement. By embracing innovation and collaboration, we aim to meet current sustainability benchmarks and pioneer future-oriented initiatives that reduce environmental impact and promote societal well-being. By aligning our policies with strategic sustainability goals, we pave the way for enduring prosperity while preserving resources for future generations.

Risk management

Risk management is integral to our operations and deeply ingrained in every facet of our business activities. At BKT, we have a robust Risk Management Policy and framework that extends to every aspect of our business, led by our Board's Risk Management Committee. This committee is responsible for framing, implementing and continuously monitoring our risk management processes.

Our framework supports risk identification, assessment, response planning and actions, monitoring, and overall risk governance. This approach is founded on evaluating various factors and associated risks, including strategic, operational, compliance, and financial risks, offering a comprehensive method for informed decision-making. Risks are evaluated and managed at multiple levels, encompassing the organisation and its respective business functions. These insights are consolidated and undergo thorough review and oversight by the Risk Management Committee of the Board. This framework enables us to

continuously monitor and oversee risk management procedures and activities. The Business Responsibility and Sustainability Committee, in collaboration with the Risk Management Committee, has taken initiative to include ESG-related risks and opportunities into the organisation's strategic planning process. This includes considering ESG-related factors when setting corporate goals and identifying new business opportunities related to sustainability. High-priority and high-impact material topics are evaluated and incorporated into the considerations

of the Risk Management Committee of the Board. This integration ensures that organisational risks are comprehensively assessed. By addressing these risks and opportunities, we aim to enhance our resilience and contribute to a sustainable future. For more information, please refer to the details of our Risk Management Framework in the Annual Report for FY 2024-25.

BKT has achieved the distinguished status of a Five Star Export House, in alignment with the provisions outlined in the Foreign Trade Policy. This certification is awarded by the Directorate General of Foreign Trade (DGFT) in India and recognises outstanding export performance and compliance with national trade policies.

Enterprise Risk Management (ERM) governance structure

The ERM governance framework is designed to systematically identify, assess, and manage risks across the organisation. The structure is composed of several key roles and committees, each with specific responsibilities.

The Board of Directors holds ultimate accountability for risk oversight and plays a crucial role in framing the overall ERM policies, setting the risk appetite and ensuring alignment with the Company's strategic objectives. The Risk Management Committee works closely with the Board, being instrumental in developing and guiding ERM policies, reviewing risk assessments, and ensuring that risk management activities align with organisational goals.

The Chief Risk Officer (CRO) is responsible for implementing the ERM framework throughout the organisation, ensuring that risk management processes are integrated into all business operations and governance practices. Comprised of senior leaders from various departments, the Risk Council is tasked with implementing risk management practices within their respective areas and ensuring that departmental activities align with the broader ERM framework. Lastly, Risk Coordinators assist the CRO by ensuring effective communication across risk functions and maintaining cohesive risk management initiatives, while Risk Owners are tasked with identifying and assessing risks in specific areas. Risk

Response Owners focus on developing and implementing mitigation strategies to address those risks, ensuring a comprehensive approach to enterprise risk management.

Agile compliance strategy

Our commitment to responsible sourcing ensures regulatory compliance and reflects our dedication to ethical practices and environmental stewardship. Through continuous evaluation and collaborative efforts, we aim to establish a robust and socially responsible supply chain ecosystem. As part of GPSNR's recommended plan, BKT has implemented a Sustainable Rubber Procurement Policy.

In the coming years, the plan involves self-assessment and reporting to

GPSNR. BKT is persistently enhancing the capacity and traceability of its upstream suppliers in line with GPSNR recommendations and EUDR guidelines. To adhere to new regulations, including the EU Deforestation Regulation (EUDR), we consistently aim to upgrade our systems to enhance responsible sourcing and improve digital transparency. Our approach encompasses a variety of methods, such as independent audits and thorough on-site inspections. We diligently map our supply chain and perform upstream evaluations. This extensive process involves scrutinising supply chain management systems and offering capacity building to suppliers in resolving any challenges they encounter.



Ethical procurement

At BKT, we strive to conduct our procurement methods and supply chain activities ethically and sustainably. We believe that responsible sourcing is crucial to maintain the integrity of our products and the trust of our stakeholders.

With over six decades of operational experience, we prioritise responsible sourcing of all essential raw materials. By doing so, we address the inherent risks associated with required traceability, such as adverse environmental and social impacts, supply chain disruptions, legal ramifications, erosion of trust, and brand damage. Our suppliers and procurement personnel are required to adhere to our Supplier Manual which includes the Supplier Code of Conduct, which are regularly updated to align with current laws and regulations. Our procurement practices support environmental preservation, social advancement, and economic prosperity.

Our approach to ethical procurement involves rigorous supplier assessments, adherence to fair labour practices and the promotion of human rights throughout our supply chain. We work closely with our suppliers to ensure compliance with environmental standards and to foster sustainable practices that minimise our ecological footprint. By prioritising transparency and accountability, we aim to build a resilient supply chain that supports our sustainability goals and contributes to the well-being of the communities, thereby maintaining the highest standards across our business ecosystem.



Responsible sourcing

BKT is deeply committed to embedding sustainability within our operations by establishing robust procedures for responsible sourcing. These efforts are crucial in ensuring that every component of our supply chain reflects our commitment to ethical practices and environmental stewardship. To maintain high standards, our supplier audits incorporate detailed checklists for evaluating crucial aspects such as quality, ESG parameters, health and safety, legal compliance, and human rights.

Through this rigorous assessment, we ensure that our suppliers align with our ethical values and contribute positively to our shared sustainability goals. Furthermore,

regular supplier evaluation programmes allow us to continuously identify areas for improvement, fostering an environment of growth and advancement. By engaging collaboratively with our value chain partners, we initiate projects that aim to elevate sustainability standards across the industry.

These initiatives enhance our business practices to drive positive change and innovation. Ultimately, our efforts represent a harmonious balance between responsible sourcing and successful business operations, proving that sustainability can be integral to achieving long-term success and ethical excellence.

Sustainable material management

As a responsible tire and carbon black manufacturer, we aim to integrate sustainable material management practices into our operations. In our continuous effort to elevate sustainability within our supply chain, we have strategically overhauled our approach to identifying and mitigating potential ESG risks. This meticulous screening process integrates stringent criteria into the assessment of suppliers' environmental, social, and governance risks.

BKT remains determined to strengthen our local procurement initiatives to support our operations. This year, our procurement strategy successfully sourced a substantial volume of raw material, of which

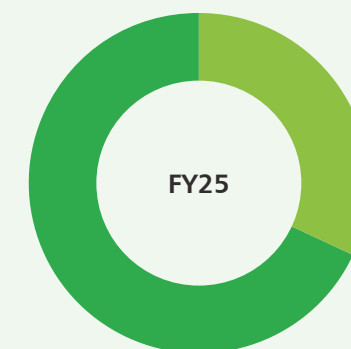
35.72% was procured locally. A stable supply of essential raw materials is vital for the seamless functioning of our manufacturing operations. Tire production heavily relies on a continuous supply of materials such as rubber, steel, and chemicals. Any disruption can significantly impact production schedules and overall business operations. Managing the risks associated with critical materials Our strategies for critical material management include effective risk assessment, advance planning, diversifying suppliers, stockpiling materials, procuring alternative materials, etc. for critical materials.

Effective management of raw materials is crucial for minimising waste and reducing costs. This is particularly important for non-renewable resources. However, integrating new

renewable materials requires extensive testing to uphold safety standards. Balancing renewable materials with safety and performance characteristics is essential for sustainable tire development.

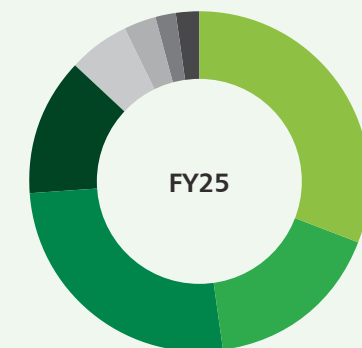
BKT is pursuing ISCC Plus (International Sustainability and Carbon Certification) and Responsible Care (RC 14001) certifications for carbon black manufacturing unit to further enhance our sustainable material management. The ISCC Plus certification supports sustainable, fully traceable, deforestation-free, and climate-friendly supply chains, while RC 14001 broadens the scope of traditional environmental management to include health and safety, security, transportation, outreach, emergency response, and other requirements.

Percentage distribution of raw material procured (%)



Renewable material 32.09
Non-renewable material 67.91

Raw material consumptions (%)



Natural rubber 31
Synthetic rubber 17
Carbon black 26
Chemicals 13
Fabric 6
Beadwire 3
Steel cord 2
Reclaimed rubber 2

Sustainable supply chain

A sustainable supply chain helps avoid operational challenges and compliance issues while nurturing a network of ethical businesses. As outlined in our Supplier Manual, we expect our suppliers to adhere to these principles, ensuring no child labour, harassment, or discrimination occurs within their operations and supply chain. It ensures balanced growth for all key stakeholders and encourages sustainable practices throughout the value chain.

We engage with our suppliers and vendors through various initiatives, including regular meetings, training sessions and grievance redressal mechanisms. To build trust and promote responsible business practices, we evaluate the environmental and social impacts of our supply chain and implement measures to help our suppliers to manage these impacts. We consistently monitor and identify critical suppliers across all locations, conducting ESG due diligence and quality assessments, on-site audits and performance reviews tailored for our key suppliers.

Supplier audit

Our suppliers and vendors are essential in helping us meet our ESG obligations and maintain ethical business practices. To enhance our Supplier Manual, we have integrated ESG factors into our supply chain, screening criteria, training programmes and assessments for suppliers' performance in social, environmental, health and safety aspects. We conduct quality system and ESG assessments of our vendors, assigning around 21% weightage to ESG-related parameters. This approach helps us evaluate the positive and negative impacts of suppliers and vendors on key performance indicators. In this fiscal year, we have identified 26 significant suppliers out of total 139 approved raw material supplier list which consist of 73% of our total spent on raw material purchase, based on supplier assessments and audits conducted we have not identified any instances where our operations or suppliers have infringed upon environmental issues and workers' rights to freely associate or where such rights were at considerable risk of being compromised.

As per our Suppliers' Code of Conduct, suppliers are expected to comply with essential audit checklist points. In cases where gaps are identified, we encourage the implementation of corrective action plans within the agreed time frame. Continued non-compliance may lead to disqualification from our supplier base. As our relationships with potential and existing suppliers grow, their exposure to ESG risks becomes crucial to our Company's long-term development. To our supplier, an audit checklist is fundamental in selecting partners and guiding training initiatives. We also use reputable independent assessment frameworks to evaluate the sustainability profiles of our suppliers. This assessment covers management systems, environmental performance, human and labour rights, ethics and sustainable procurement practices. Through these frameworks, we monitor and oversee our suppliers' sustainability efforts, recommending action plans to meet ESG standards. The outcome of the independent assessment also enables us to benchmark our performance against industry peers, ensuring continuous

improvement and alignment with best practices. At BKT, we maintain a strict stance against child labour and forced labour, viewing these practices as fundamental violations of human rights and ethical business principles. We have implemented stringent policies and rigorous monitoring mechanisms across our operations and supply chain. Through comprehensive audits conducted throughout the year, we are pleased to report that no instances of child labour, forced labour, or violations of freedom of association laws were identified within our operations or among our suppliers. This reflects our dedication to fostering a responsible and sustainable business environment, where respect for human dignity and adherence to legal and ethical standards remain paramount. We remain committed to upholding these principles, establishing business practices that positively contribute to the well-being of our employees, suppliers, and the broader community.



Enhancing operational efficiency and sustainability

BKT is strategically enhancing its procurement, supply chain, and manufacturing operations to drive efficiency and sustainability. By identifying opportunities to minimise waste and improve energy usage, we are investing in advanced technology and clean energy solutions.

These efforts, coupled with a cost model-based pricing approach in procurement, have resulted in substantial, sustainable cost efficiencies by streamlining processes and making the organisation leaner and more agile.

In addition, the adoption of recycled rubber, crumb powder, carbon black and other materials in tire production underscores our commitment to sustainable raw material management. This initiative conserves natural resources and diverts waste from landfills, supporting a circular economy where materials are reused instead of discarded.

Innovation and digitalisation

IT framework



In today's digital age, a robust IT framework is crucial for any organization, especially for a tire company that relies heavily on technology for its operations. An effective IT framework ensures seamless communication, efficient data management, and real-time monitoring of manufacturing processes, digitisation of Procure to Pay, Order to cash, Record to report and hire to retire, which are essential for maintaining high standards of quality and productivity."

Anil Kumar Chawla
Chief Information Officer

Our IT procedures are designed to ensure the reliability, efficiency, integrity and security of all components connected to the Company network, including computers, servers, databases, and mobile devices, as well as the data they store and process. The primary objective is to digitise the organisational processes and maintain seamless operations and safeguard data availability and accuracy.

Information Security is integrated into our Enterprise Risk Management (ERM) framework and is overseen by the Risk Management Committee, a Board-level committee with clearly defined responsibilities for managing IT-related risks. This structure ensures alignment with applicable regulatory requirements and industry standards. Operational execution is led by the Chief Information Security Officer (CISO), who is responsible for implementing security strategies and

controls across the organization.

These efforts are supported by a structured IT General Controls (ITGC) framework and regular audits, which help ensure compliance, system reliability, and continuous improvement. To foster a culture of digital responsibility, we conduct training sessions and mandate skill upgrades to keep teams informed about evolving IT practices and their role in maintaining a resilient digital environment. These programmes enhance system awareness, reduce operational risks, and improve responsiveness across the organisation.

In addition to training, our IT systems are designed to support the unique needs of a tire company. These systems facilitate seamless communication, efficient data management, and real-time monitoring of manufacturing processes. By leveraging advanced technologies, we can optimise our supply chain, reduce operational

costs and improve product quality. The benefits of having robust IT systems include increased operational efficiency, better decision-making capabilities and enhanced customer satisfaction.

To further assure customers, partners, and stakeholders of our commitment to responsible IT governance, we are actively exploring alignment with ISO/IEC 38500, the international standard for the governance of IT for organisations. This standard provides guiding principles for the effective, efficient, and acceptable use of IT, helping organisations ensure that IT supports business needs, generates value, and manages risks appropriately.

Adopting ISO/IEC 38500 will reinforce our adherence to globally recognised governance practices and strengthen stakeholder confidence.

Digitalisation initiatives

We have implemented a comprehensive framework to ensure compliance with the European Union Deforestation Regulation (EUDR). Our approach includes meticulous master data creation, validation of material codes, and seamless updates across applications. To support operational readiness, we have procured and installed the necessary infrastructure, coupled with rigorous training programmes to equip employees with the troubleshooting and execution skills they need. In procurement, we have strengthened supplier engagement by onboarding business partners for EUDR-compliant natural rubber, ensuring transparency through due diligence reporting and geo-tracking for every

consignment. The traceability of raw materials is maintained through digital documentation, from sourcing to final storage at the unit.

In production, we have introduced robust validation mechanisms to ensure the integrity of EUDR-compliant raw materials. Strategic segregation of finished goods using vulcanising codes and colour differentiation improves traceability. Our dispatch operations have been refined with dedicated sales and billing systems, document processing, and execution. To drive industry-wide adoption, we have conducted around 25 workshops across four units and our Mumbai office, training more

than 500 employees, customers, and business partners in sustainable procurement and operational best practices. Through these measures, we continue to advance responsible production, enhance environmental transparency, and uphold industry-leading sustainability standards. It also enhances our competitive advantage in the market by aligning with global sustainability standards and meeting the growing demand for ethically sourced products.

Further, we have started the implementation of the Contract Labour Management System in four units of the BKT. This is to achieve the following KPIs:



A process had been built to digitise each step, including the physical process through system mapping of hardware with software. The project is going to be completed by next year, including wages calculation from the system itself.

Strategic IT investments

In alignment with our commitment to operational excellence, data integrity, and sustainable growth, we have undertaken key initiatives to modernise our IT infrastructure:

Network modernisation at FTD Bhuj and the head office

Upgraded segments of the IT network stack with the latest Cisco-managed switches, resulting in enhanced performance, improved reliability, and greater energy efficiency

Transition to Software-Defined WAN (SD-WAN)

Deployed a next-generation SD-WAN topology, enabling intelligent traffic routing, optimised bandwidth utilisation, and a reduced carbon footprint through efficient connectivity

Critical data storage expansion

Expanded storage capacity using modern, secure infrastructure to support critical unit data, ensuring high levels of security, availability, and ransomware protection

Cloud infrastructure onboarding

Initiated the adoption of scalable cloud infrastructure, improving agility, reducing on-premises energy consumption, and laying the foundation for future digital transformation initiatives

Cybersecurity management



In today's digital landscape, where cyber threats, including those arising from third-party ecosystems, are constantly evolving, embracing innovation is essential to building a resilient cyber security posture. At BKT, we view cybersecurity not just as a safeguard, but as a critical enabler of continuous and secure business operations. We remain committed to strengthening our defences through the adoption of cutting-edge technologies, globally recognised security best practices, and enhanced oversight of third-party risks, and by fostering awareness at the highest levels — including conducting a dedicated cybersecurity training session for our Board of Directors and KMP”.

Sameer Ghanekar

Chief Information Security Officer

In FY 2024-25, BKT maintained a strong cybersecurity posture, with no data breaches involving customers' personally identifiable information. This reflects our ongoing commitment to data protection and privacy. Our Cybersecurity and Data Privacy Policy enforces controls for the secure collection, storage, and processing of personal data across all business functions. We continuously monitor and adapt to evolving security and privacy requirements in every region where we operate, ensuring compliance with global standards such as the General Data Protection Regulation (GDPR). Our policy provides clear guidelines for the handling of data and mandates

robust security measures to safeguard the Company's sensitive information. Our policy emphasises maintaining the availability, integrity, and confidentiality of information, managing security risks, and establishing a reliable IT environment. To strengthen our cybersecurity posture, we have onboarded a Managed Security Service Provider (MSSP) and deployed a Security Operations Centre (SOC) to ensure 24/7 monitoring, threat detection and incident response. We conduct regular Vulnerability Assessments and Penetration Testing (VAPT) to identify and remediate potential weaknesses, supported by Endpoint Detection and Response (EDR) tools that provide

real-time protection across our digital assets. Our Security Incident Management protocols enable swift containment and resolution of threats, minimising operational impact. We also run targeted phishing simulation campaigns to raise awareness and test employee readiness. These initiatives are complemented by comprehensive awareness programmes that educate employees on recognising and responding to cyber threats, promoting best practices for maintaining information security. Through continuous awareness, testing and proactive defence mechanisms, we foster a culture of vigilance and resilience across the organisation.











As digital ecosystems expand, the risks associated with third-party applications and system providers have grown significantly. To address this, BKT has initiated a structured evaluation programme that assesses the cybersecurity posture of external vendors before onboarding and during deployment. This process ensures that new integrations do not introduce vulnerabilities or compromise our existing security environment. By embedding security checks into our deployment lifecycle, we validate that every new system is securely configured, compliant with our internal policies, and resilient against emerging threats. These efforts are critical to maintain trust, protecting sensitive data, and aligning with our ESG commitment to responsible technology adoption.

Information security certifications

To assure stakeholders of our commitment to information security, we are working to align our information security programme with ISO 27001, an internationally recognised standard for information security management. Achieving this alignment and certification will enhance our credibility, support regulatory compliance, and reinforce our reputation as a secure and responsible organisation.

Strengthening cybersecurity resilience

 Cybersecurity awareness programmes	 Zero data breaches	 Third-party risk assessment programme
 Deployment of Security Operations Centre (SOC)	 Vulnerability Assessment and Penetration Testing (VAPT)	 Endpoint Detection and Response (EDR)
 Security incident management	 Phishing simulation campaigns	







The organisation is committed to safeguarding its digital infrastructure through a structured and multi-layered approach to cybersecurity. By combining awareness programmes, advanced security monitoring, risk assessments, and incident response measures, it works to prevent potential threats and minimise vulnerabilities.

Highlights of Cyber security programme	
Cybersecurity awareness programmes	Zero data breaches
Deployment of Security Operations Centre (SOC)	Third-party risk assessment programme
Vulnerability Assessment and Penetration Testing (VAPT)	Endpoint Detection and Response (EDR)
Security incident management	Phishing simulation campaigns

Security Operations Centre

Central to these efforts is the Security Operations Centre, which enables continuous oversight and effective management of cybersecurity initiatives, ensuring the protection of data and the resilience of systems.

			
Security information and event management Leveraging advanced analytics, correlation and threat intelligence for faster and more effective threat detection	Vulnerability assessment and penetration testing Strengthening our defences by proactively identifying and remediating vulnerabilities before they can be exploited	Managed security services Partnering with experts to provide 24/7 security monitoring, threat detection, and incident response	Endpoint security enhancements Deploying next-gen AI-powered endpoint protection to safeguard against malware, ransomware, and advanced threats

Research and development

With over six decades of expertise, BKT understands that in a fast-changing tire industry, resilience, sustainability, and cost-efficiency are vital for the future of mobility. At BKT, we cultivate an innovative culture by empowering our employees with the tools to develop long-term solutions. Our mission is to achieve responsible development and innovation with top-quality products while promoting sustainability and cost efficiency, solidifying our position as a leading tire manufacturer.

We consistently lead the way in delivering reliable off-highway tires and carbon black through cutting-edge technology. To drive progress, we have assembled a dedicated team focused on innovation. We encourage all staff to engage in team-building

activities and contribute creative ideas for daily operations. The Board approves funding for innovations, while the team sets departmental goals to implement the most feasible ideas. Our ongoing success and industry leadership depend on fostering sustainable growth through robust R&D initiatives and the integration of transformative technologies.

Our state-of-the-art laboratories of Bhuj and Chopanki are accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL), a constituent board of the Quality Council of India (QCI), whereas our Waluj and Bhiwadi laboratories are in process of NABL accreditation. These labs serve as hubs of innovation where our R&D team demonstrates exceptional proficiency

and experience. Moreover, our in-house technology development equips us to compete effectively in global markets, setting us apart as a leader in the tire industry. This strategic advantage allows us to continuously innovate and enhance our product development. Our investment in Research and Development yields tangible results in our product innovation.

By leveraging these investments, we gain a competitive edge in our product offerings, developing high-value tires using unique techniques that meet and exceed market demands. These efforts highlight our endeavours towards advancing technological frontiers and delivering unparalleled value to our stakeholders worldwide.

PODDAR INNOVATION HUB

The Suresh Poddar Innovation Hub stands as a beacon of BKT’s dedication to research and development. It is a cutting-edge facility nestled within the Mahabirprasad Poddar Knowledge Centre in Bhuj, India. Equipped with state-of-the-art laboratories and advanced testing equipment, the innovation hub enables testing under diverse conditions, ensuring exceptional tire performance across various environments globally.

The hub’s research endeavours have significantly advanced the field of tire technology, leading to the publication of numerous impactful research papers. Key research areas include the development of new sustainable raw materials, environmental friendly tires, etc. A dedicated test track located nearby facilitates comprehensive tire performance assessments, replicating real-world application conditions.

BKT aspires to position the Suresh Poddar Innovation Hub as the world’s premier research centre in the tire sector. Through the integration of innovative technologies and the recruitment of top talent, we aim to drive continuous growth in the off-highway tire sectors.

PLASTICISER RECLAIM

BKT has implemented an initiative to replace partial polymer and Residual Aromatic Extract (RAE) oil (which is petroleum derived) with plasticiser reclaim sourced from end-of-life tires. This innovative approach has allowed us to substitute partial polymer and RAE oil, thereby promoting sustainability and reducing reliance on petroleum-based products. By reclaiming plasticisers from old tires, BKT is minimising waste and ensuring a more sustainable future for tire production.

COLOPHONY RESIN USAGE

BKT has embarked on an innovative journey to partially replace phenolic resin with colophony resin, which is derived from pine trees. Currently, we aspire to substitute 50% of the phenolic resin of the total 120 MT/ month. This eco-friendly alternative has passed all quality checks, ensuring that it meets our high standards. By leveraging the natural adhesive properties of colophony resin, we enhance our sustainability efforts while maintaining top-notch product quality.

RICE HUSK SILICA

We are leading the charge in sustainability by utilising rice husk silica as a partial replacement for precipitated silica VN3 (used as a reinforcing filler in tires) This innovative material, derived from the agricultural waste of rice milling, We have successfully integrated the use of rice husk silica in specific applications of tires.

TIRE PYROLYSIS OIL AT CARBON UNIT

BKT has made significant strides in sustainability by using Tire Pyrolysis Oil (TPO) as a raw material and fuel for carbon manufacturing. This innovative approach has enabled us to replace 1% of Carbon Black Feed Stock (CBFS) on a mass balance basis with TPO. This generates approximately 0.5% of carbon black. By utilising TPO, we reduce its reliance on traditional fossil fuels, promoting an environmentally friendly production process

RECOVERED CARBON BLACK

BKT is at the forefront of circular economy practices by partially replacing virgin carbon black in selected compounds with recovered carbon black obtained through the pyrolysis of end-of-life tires. This process allows us to reuse valuable materials, reducing waste and environmental impact. By incorporating recovered carbon black, we are promoting sustainability and maintaining the high- performance quality standards of its tires.

Safeguarding nature – Environment

Linking with UN-SDGs



Message from the ESG Head	84
Sustainable strategy and climate resilience	86
Life cycle Assessment	93
Task Force on Climate-related Financial Disclosures (TCFD)	100
Energy management	114
Emission management	124
Waste management and circular economy	134
Water stewardship	142
Biodiversity	152

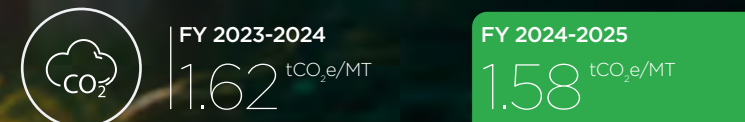
ENERGY

Renewable Energy Consumption



EMISSION

Emission Intensity



WATER

Water Intensity



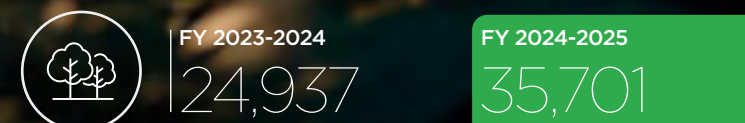
WASTE

Waste Intensity



BIODIVERSITY

No. of Trees



Our focus areas

Sustainable strategy and climate resilience

Emission and energy management

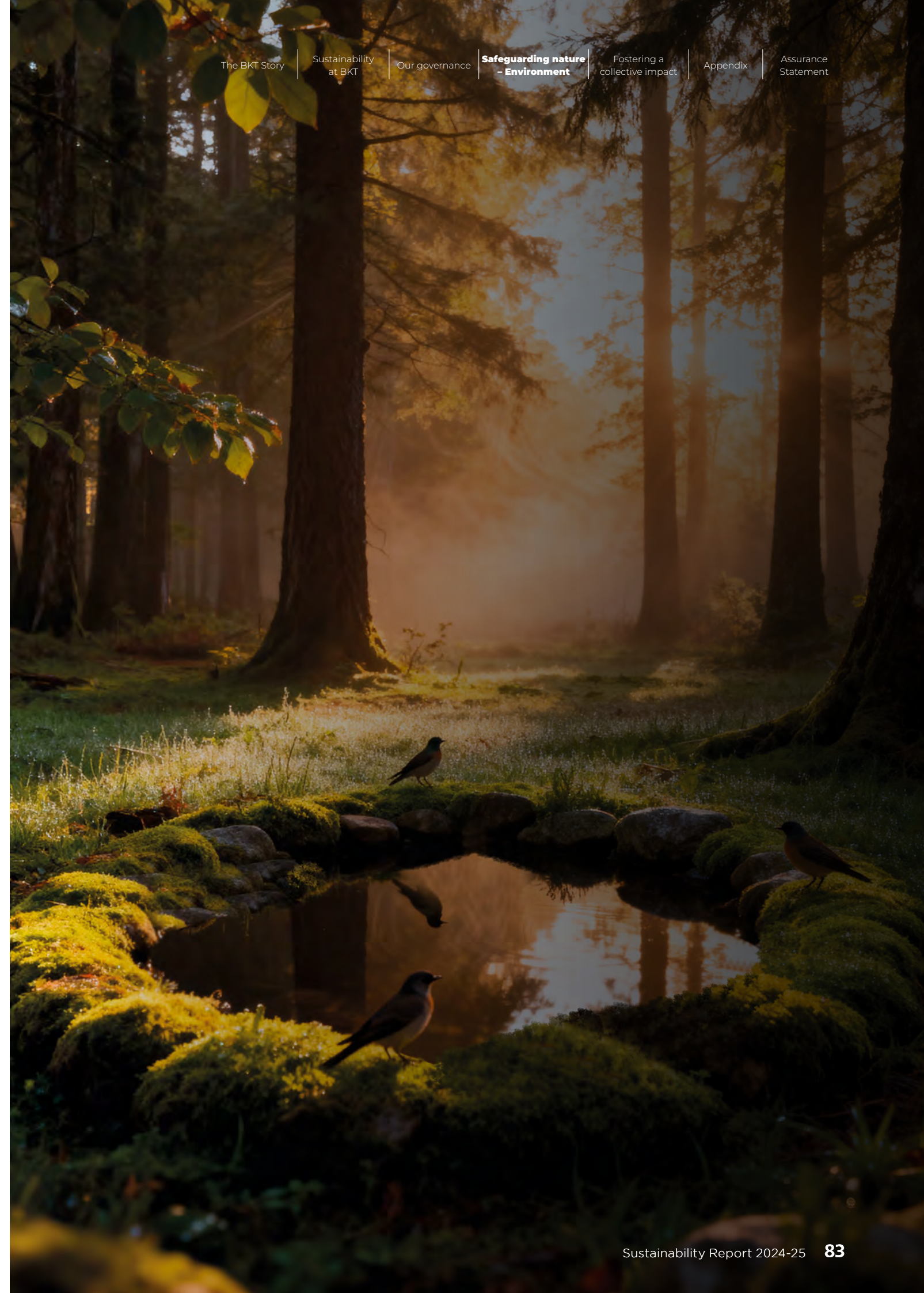
Waste Management and Circular Economy

Water stewardship

Biodiversity protection

Key performance

Focus areas	Performance FY 2024-25	Targets and Commitment
<p>Sustainable strategy and climate resilience</p>	<p>1,06,061 metric tonnes of renewable material used for our primary products</p> <p>2.06% of recycled or reused material is used to manufacture our primary product</p>	<p>10% Increase in recycled/reused/renewable/sustainable input raw materials purchase by FY 2030 (Baseline FY 2024)</p>
<p>Waste Management and Circular Economy</p>	<p>98.17% of the total waste generated is either recycled or reused</p> <p>1.83% of the total waste is disposed off</p>	<p>Zero Waste to Landfill by FY 2035</p>
<p>Water stewardship</p>	<p>11.39% YoY reduction in groundwater withdrawal from water-stressed areas</p> <p>2.03% YoY decrease in water intensity per metric tonne of production</p>	<p>ZLD at all product manufacturing units by FY 2028</p>
<p>Biodiversity protection</p>	<p>35,701 New trees planted during the reporting period, covering an area of 19,177 m²</p>	<p>50,000 Saplings to be planted by 2030</p>



Message from the ESG Head



At BKT, sustainability is no longer a peripheral aspiration, it is guiding compass in every strategic decision we take. Anchored in a robust framework of corporate governance, we have embedded long-term environmental stewardship, community development, and a sustainable supply chain at the heart of our business model"

As part of our decarbonisation journey, we have completed a comprehensive assessment of Scope 3 greenhouse gas emissions over the past two years and are executing measures on reduction roadmap. To support this, we have initiated Life Cycle Assessment (LCA) studies aimed at developing low-carbon products, including carbon black, providing data-driven insights into product-level emissions and environmental performance. Augmenting the existing wind farm and solar installation, additional 3MW rooftop solar unit was commissioned to expand renewable capacity. We have battery operated vehicles for our operations replacing existing diesel operated vehicles in phased manner as part of further reducing our climate impact. Additionally, we have integrated recycled materials contained bead wire and steel into our processes, with a strong emphasis on collaboration with value chain partners to enhance material recovery, promote circularity and drive sustainable sourcing practices.

Resource circularity and biodiversity remain parallel priorities. Our units systematically reincorporate reclaim rubber, crumb powder, recovered

carbon black, and rubberised friction compound into production, promoting industrial recycling and reducing raw material intensity. LCA results have also been instrumental in optimising these circularity initiatives by highlighting areas of highest impact and guiding targeted interventions. To further strengthen our environmental stewardship, we are committed to achieving Zero Waste to Landfill by 2035, ensuring our processes minimise ecological footprint.

Within our premises we nurture nearly 1,31,375 trees, safeguarding local ecosystems and maintaining carbon sinks. Water stewardship initiatives, sustainable forestry practices, and rigorous traceability protocols reinforce our adherence to the highest environmental and ethical standards, while zero tolerance policies on corruption, coupled with continuous workforce training, preserve the integrity of our value chain. Our newly implemented digital ESG data reporting & analytical tool now provides a centralised platform for monitoring performance, tracking compliance, and enabling transparent sustainability reporting across all functions.



While sustainability is a continuous journey, the progress we have achieved demonstrates that profitability and purpose can and must co-exist. Sustainability is the new imperative for long lasting stakeholder value; it heralds a business paradigm in which

the welfare of people and planet outweighs mere financial metrics. I extend my sincere appreciation to our employees, partners and customers whose unwavering support propels us on this journey. Together, we will grow to build a cleaner, greener, and more

equitable world, securing a resilient future for BKT and the communities we serve.

Dr. Anurag Khandelwal
General Manager – ESG

Sustainable strategy and climate resilience

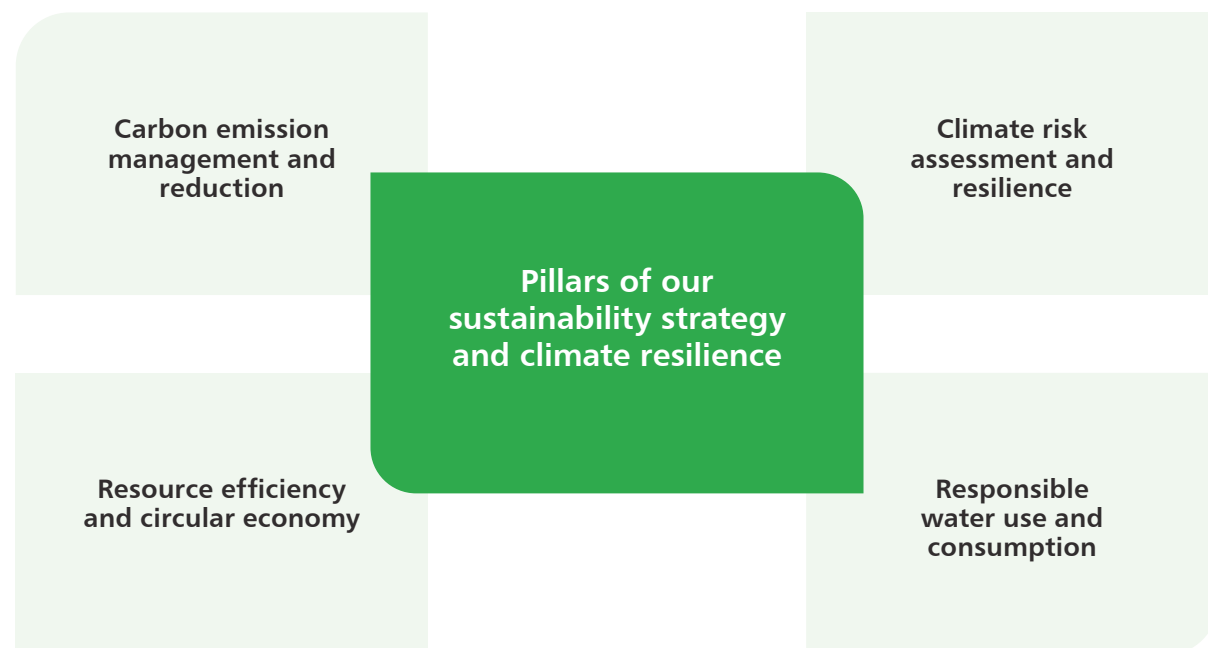
In our pursuit to address the impacts of climate change, we are fully committed to reducing our carbon footprint and enhancing the resilience of our facilities as integral components of our climate change adaptation strategy.

Our dedication to sustainability is aligned with international benchmarks, such as the United Nations Sustainable Development Goals (UN SDGs) and is reinforced by industry-leading practices. Through the integration of findings from authoritative global reports and advanced tire industry research, we have crafted a robust sustainability strategy that positions us at the forefront of environmental stewardship and strengthens our resilience against climate-related

challenges. This strategy is designed to anticipate and adapt to evolving environmental conditions, ensuring that our operations thrive in a manner that respects and preserves the natural world. By prioritising sustainable practices and climate resilience, we are committed to creating long-term value for both our business and the planet.

We have launched a wide range of initiatives focused on carbon emission management, efficient resource

utilisation, circular economy principles, and climate risk mitigation. These comprehensive efforts integrate sustainability deeply into our business operations, influencing every phase of our process. From the responsible sourcing of raw materials and enhancing manufacturing processes to the innovative design of our products and strategic handling of tire end-of-life stages, our approach ensures environmental responsibility is at the heart of our Company's mission.



Carbon management and emissions reduction

Our company is firmly committed to minimising our environmental impact by implementing a comprehensive suite of carbon management strategies and emissions reduction programmes. In the realm of carbon management, we focus on systematically analysing and optimising our carbon footprint across all operations. This involves setting clear, measurable targets for carbon emission reduction and utilising advanced technologies and methodologies to monitor, capture, and reduce carbon emissions effectively.

Our emissions reduction programmes are designed to tackle climate-related challenges. We leverage renewable energy sources, enhance energy efficiency within our facilities, and innovate in product design to reduce emissions at every stage of our operations. Through rigorous assessments and continuous improvement cycles, we identify opportunities for further emission reduction and integrate sustainable practices that align with industry's best standards.

Our proactive approach ensures environmental compliance and positions us as leaders in sustainability. By addressing the pressing issue of climate change through these initiatives, we contribute meaningfully to global sustainability goals and foster a greener future. These efforts reflect our dedication to environmental stewardship and are underpinned by our commitment to thoughtful resource management, leading to a more sustainable and resilient business model.

As part of our comprehensive environmental strategy, we are committed to integrating renewable energy sources such as solar, wind, and biofuel into our operations, significantly reducing our dependence on fossil fuels. During the reporting period, we

successfully sourced a total of 36,177 GJ of energy from these renewables, effectively substituting non-renewable grid electricity. Our efforts to enhance energy efficiency include the implementation of advanced systems like Variable Frequency Drives (VFDs), high-efficiency motors, and automated energy monitoring technologies. These initiatives have led to substantial energy savings totalling 16,950 GJ. Furthermore, we have transitioned from diesel-operated forklifts to battery-operated forklifts and electric trucks, further advancing our commitment to emission reduction.

In FY 2024-25, we marked a pivotal achievement with a reduction of 3,423 tCO₂e in GHG emissions, driven by our energy efficiency and emissions reduction focus. Furthermore, our

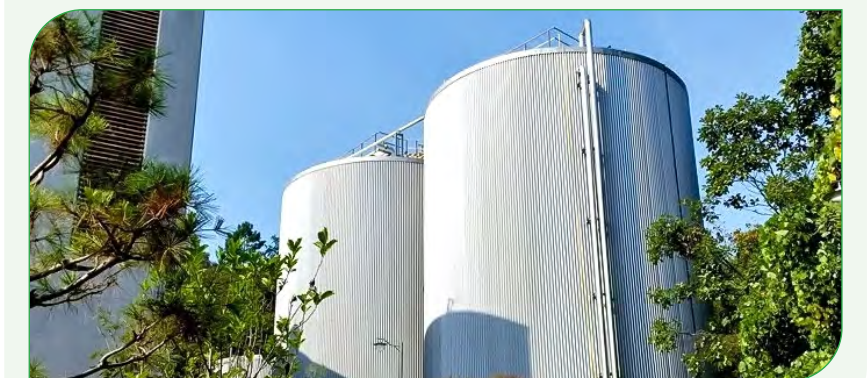
shift to renewable energy led to the avoidance of 7,306 tCO₂e of GHG emissions, collectively amounting to a 1.41% cut in our total scope 1 and 2 emissions. Our relentless pursuit of improved energy efficiency is integral to our sustainable development efforts.

Our strategies are guided by insights from global research entities, such as the Global Carbon Project and the IPCC, ensuring they are data-driven and impactful. Embracing Kaizen's philosophy of continuous improvement, we have unwavering focus in our quest for a sustainable and environmentally responsible future. Through innovation and proactive measures to curb our carbon footprint, we are making significant headway in achieving our sustainability goals.

REDUCING EMISSIONS THROUGH PNG AND BIOGAS

Piped Natural Gas (PNG) is a vital component of our environmental strategy, significantly boosting energy efficiency and lowering operational emissions. Our shift from coal to PNG has led to substantial reductions in greenhouse gas emissions, underscoring our commitment to sustainable energy leadership. During the reporting period, PNG comprised about 8.03% of our total energy consumption, with consumption rising to 5,72,935 GJ compared to 5,49,254 GJ the previous financial year, reflecting our ongoing efforts to enhance energy efficiency.

Additionally, we are expanding our use of biogas in our energy portfolio. This renewable resource, derived from organic waste, helps decrease our reliance on fossil fuels and curbs our carbon footprint. During the reporting period, our biogas consumption increased to 897 GJ from 751 GJ last year, further strengthening waste management and advancing circular economy principles, which encourage sustainable practices across our operations.

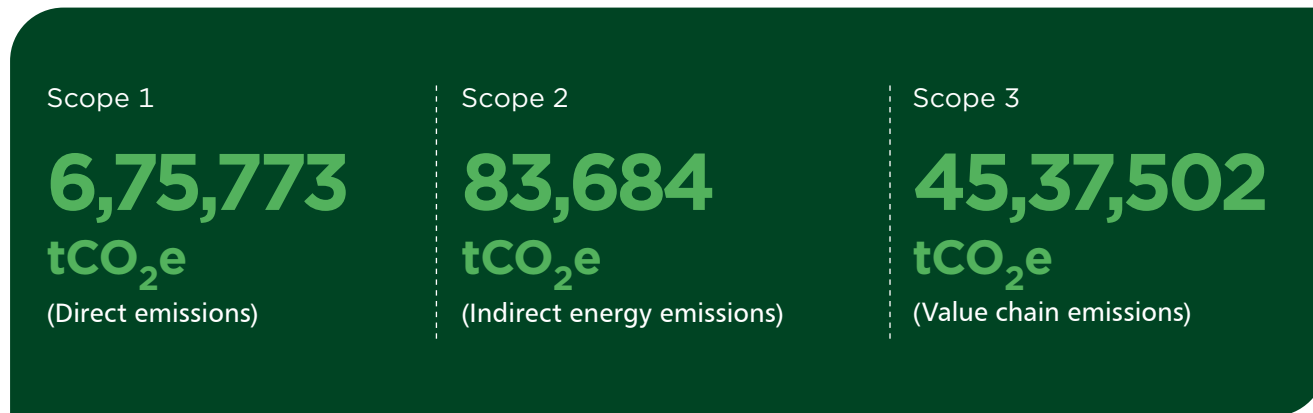


Decarbonisation strategy

Emissions profile

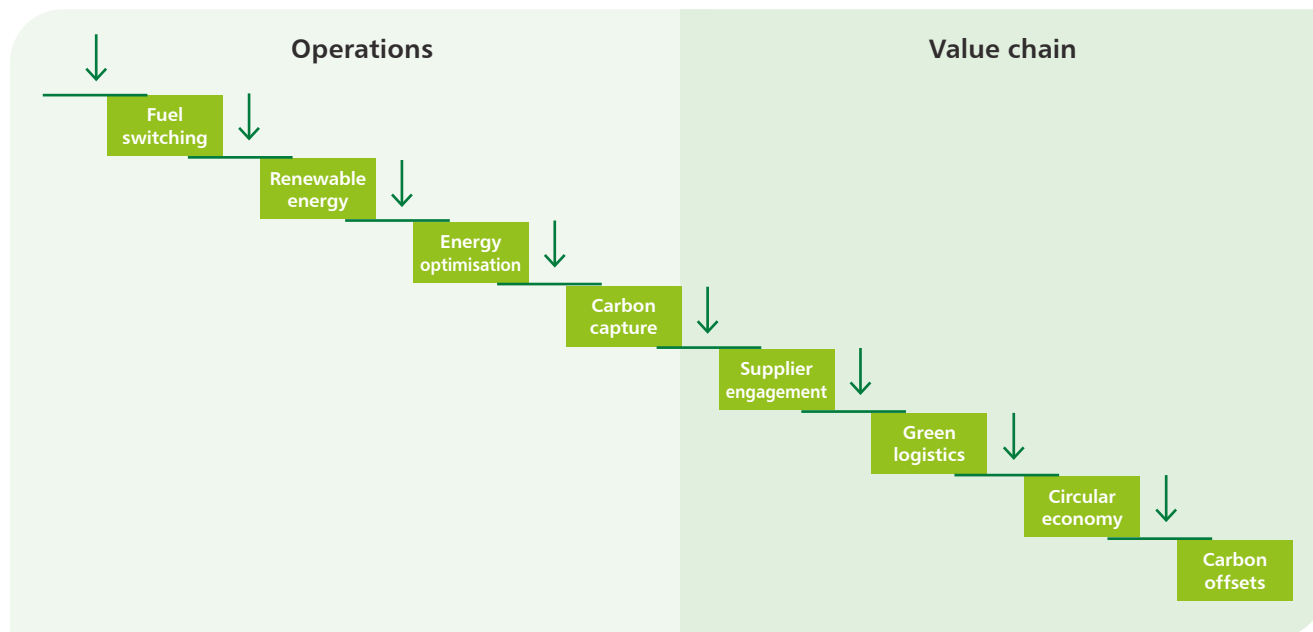
In FY 2024-25, BKT's total greenhouse gas (GHG) emissions were **4.37 Million tCO₂e**, segmented as

Scope 3 emissions account for over 80% of our footprint, driven largely by raw material sourcing and product use.



Our emissions intensity is 5.08 tCO₂e/₹ lakh, reflecting a 7% increase in Scope 1 and 2 emissions due to business growth and higher energy demand.

BKT decarbonisation roadmap



Our strategy

At BKT, we acknowledge the critical role that the tire industry must play in addressing climate change and transitioning towards a low-carbon economy. Our decarbonisation strategy is a core component of our sustainability roadmap and is designed to align with global climate goals while supporting our customers, communities and stakeholders. We have built a decarbonisation strategy on a foundation of operational excellence, product innovation, responsible sourcing and transparent governance, ensuring that we contribute meaningfully to a sustainable future.

Committed to climate action by embedding Net Zero as a long-term ambition across our operations and value chain.

Operational excellence by enhancing energy efficiency, adopting renewable energy, and optimising our manufacturing processes

Our approach is anchored on four strategic pillars for decarbonisation:

Fostering a collaborative value chain by engaging suppliers, logistics partners, and customers in our decarbonisation journey

Transitioning towards a circular economy by integrating principles of reuse, recycling, and lifecycle thinking into our product development and material sourcing

Operationally, we are implementing a range of initiatives to reduce our environmental footprint. We are increasing the share of renewable energy in our electricity mix and exploring on-site generation through solar and biomass systems. Our facilities are undergoing energy audits and are being equipped with real-time monitoring systems to identify and act on efficiency opportunities. Legacy equipments are being replaced with energy-efficient alternatives, and utility systems such as compressed air, steam, and HVAC are being optimised.

Recognising that a significant portion of emissions lies beyond our direct operations, we are actively engaging our supply chain. We have introduced a Supplier Code of Conduct to ensure that our partners align with our environmental and ethical standards. We have planned for ESG assessments and training workshops to build supplier capacity. In the natural rubber supply chain, we are collaborating

with industry platforms to improve traceability and support small land holding farmers with sustainable agricultural practices. Additionally, we are optimising logistics by shifting to multimodal transport solutions and partnering with service providers that use low-emission fleets.

Innovation is at the heart of our decarbonisation efforts. We are designing tires with lower rolling resistance to enhance fuel efficiency and are increasing the use of bio-based, recycled and renewable materials in our products. Our tires are being engineered for greater durability, retreadability and recyclability. We are also investing in end-of-life solutions by partnering with recyclers to recover valuable materials such as carbon black. Furthermore, we are developing digital solutions such as smart tire technologies for fleet monitoring and predictive maintenance and platforms for tracking tire lifecycle and carbon footprint.

Our governance framework ensures that decarbonisation is embedded in our corporate decision-making. A Business Responsibility and Sustainability Committee, chaired by senior leadership, oversees climate-related initiatives and integrates climate KPIs into executive performance metrics. We are committed to transparency and align our reporting with global frameworks such as the Global Reporting Initiative (GRI) and Recommendations of Task Force on Climate-related Financial Disclosures (TCFD).

Through this comprehensive decarbonisation strategy, BKT is taking steps to reduce its environmental impact and contribute to a more sustainable and resilient future. We will continue to evolve our approach in line with emerging technologies, stakeholder expectations, and regulatory developments, ensuring that sustainability remains at the core of our business.



Strategic decarbonisation levers

Our decarbonisation strategy is anchored in following core focus areas:



Fuel switching

Transitioning from non-renewable fuels to biomass and biofuels to reduce direct emissions.

Key projects

- Coal and PNG-based boiler to biomass boilers.
- Dual-fuel kits for DG sets.
- Policy commitments to cleaner fuels.



Renewable energy

Sourcing renewable electricity and increasing onsite renewable energy.

Key projects

- Increase solar and wind energy to achieve RE100.



Energy efficiency

Driving energy optimisation initiatives.

Key projects

- Energy and Waste heat recovery
- Energy Efficiency Initiatives



Carbon capture

Exploring CCUS and BECCS technologies to capture and utilise CO₂ emissions from carbon black operations.

Key projects

- Research on feasibility studies for methanol conversion and biomass-based carbon black for long-term emission removal.



Supplier engagement

Engaging with suppliers to collect emission data and influencing supplier to take emission reduction targets.

Key projects

- Identified top 80% emission contributing supplier
- Supplier engagement to collect, track and reduce emissions.



Green logistics

Adopting greener logistics options for transportation of inbound and outbound logistics.

Key projects

- Determining feasibility of using EV vehicles for optimal distance.
- Shifting from mode of transportation from road to rail.



Circular economy

Developing economic system focused on eliminating waste and maximising resource efficiency by continually reusing, recycling, and regenerating products and materials.

Key projects

- Research on various applications of used tires.
- Research on the process of creating recovered carbon black from recycled tires.



Carbon offsets

Avoiding or sequestering GHG emission from atmosphere.

Key projects

- Exploring carbon market and offset strategy.

The road ahead

BKT's Senior leadership team oversee the implementation of these initiatives, ensuring every unit undergoes detailed energy audits and efficiency optimisation. By embedding sustainability into operations, products and partnerships, we aim to reduce carbon emissions while supporting business growth and resilience.

Resource efficiency and circular economy

Our waste management strategy is embedded within the core principles of resource efficiency and the circular economy, emphasising the systematic tracking of material flows across all aspects of our operations. Through meticulous audits, we identify areas ripe for improvement, applying a structured hierarchy that prioritises reduction, reuse and recycling. Our commitment to resource efficiency is manifested in the adoption of cutting-edge technologies, alongside rigorous research and development efforts aimed at designing comprehensive reuse schemes that maximise the value of materials and minimise waste.



During this reporting period, we made significant strides in waste management by emphasising on recycling and reuse. Approximately 59.85% of our total waste output was recycled, and 38.32% was reused. These efforts allowed us to divert 98.17% of waste from traditional disposal, showcasing our dedication to sustainable practices.

In alignment with circular economy concepts, we seek to transform waste into valuable resources, extending the lifecycle of materials and reducing our environmental footprint. To support these initiatives, we invest in extensive employee training programmes that focus on waste reduction strategies and the safe management of materials. By equipping our workforce with the knowledge and skills necessary to implement sustainable practices, we ensure that our approach to waste management not only aligns with environmental goals but also enhances operational efficiency. These efforts reflect our dedication to creating a sustainable, closed-loop system that benefits both our business and the planet.

Our goal is to minimise waste generation by continuously optimising existing processes and exploring new production methods. For materials that cannot be recycled or reused, we enforce stringent procedures to ensure

their safe, proper, and environmentally responsible disposal.

Our approach to waste and circularity is deeply rooted in an ESG framework, ensuring alignment with both national and international environmental regulations. Our commitment to industry excellence is further demonstrated by adherence to standards like ISO 14001 for Environmental Management Systems. Additionally, our strategies are steered by key sustainability reporting standards, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the Business Responsibility and Sustainability Report (BRSR) in accordance with the Securities and Exchange Board of India (SEBI).

Internally, we are committed to waste minimisation and the efficient use of resources throughout our operations. While our manufacturing processes generate both hazardous and non-hazardous waste, our waste

management strategy emphasises reducing waste at its source. This approach involves identifying and implementing practices that prevent waste generation, optimising resource utilisation and continuously improving our operations to minimise environmental impact. By prioritising source reduction, we aim to strengthen sustainability and foster responsible resource management across our organisation. In our processes, we prioritise the use of reclaimed rubber to emphasise recycling and minimise environmental impact. Additionally, we utilise third-party sourced recycled raw materials like crumb powder, recovered carbon black, steel cord, bead wire and rubberised friction compounds to enhance our sustainability efforts. In the reporting period, recycled and reused materials comprised 2.06% of the total input used in the manufacturing of our main product. This represented 6,470 metric tonnes in the current financial year, an increase from 4,964 metric tonnes in the previous financial year.

Life Cycle Assessment

We undertook comprehensive Life Cycle Assessment (LCA) studies for our two key products, Carbon Black variant and Agri Radial Tires, manufactured at our Bhuj unit. These assessments were calculated using the SimaPro v9.0.5 software and Ecoinvent datasets, aligned with ISO 14040/44 standards, along with an external independent assurance.

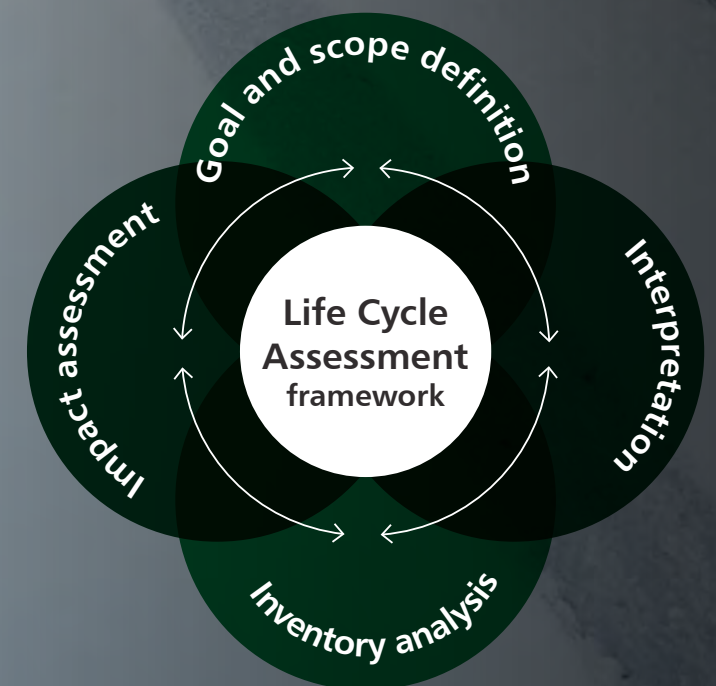
The LCA studies aimed to quantify the environmental impacts associated with product across its life cycle, identify hotspots and provide actionable insights to reduce the ecological footprint of BKT's operations.

Methodology and approach

The LCA methodology followed a structured four-phase framework as prescribed by ISO standards

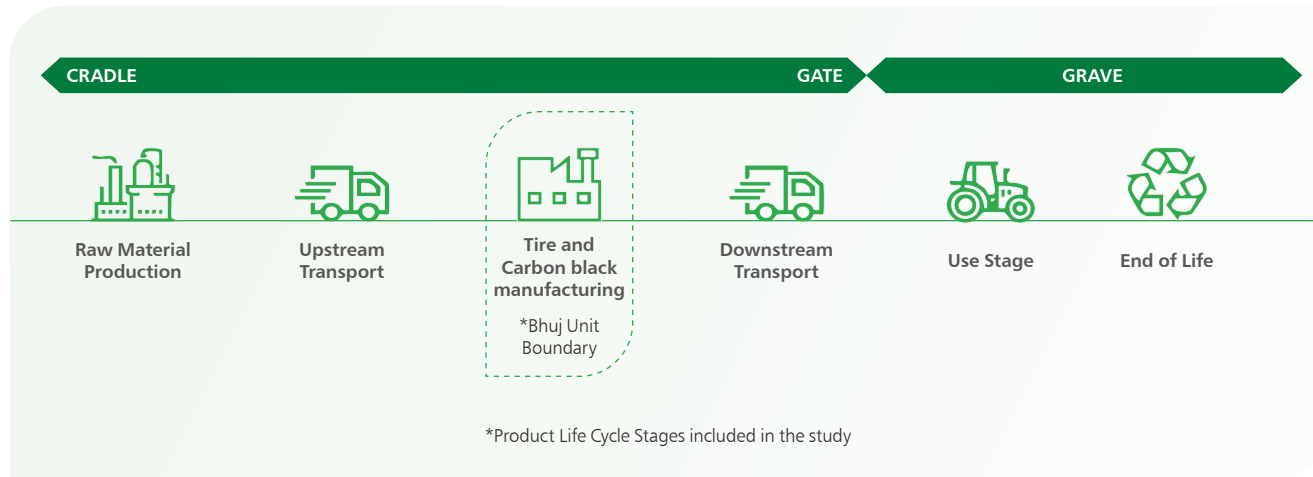
Goal and scope definition

The primary goal was to evaluate the environmental performance of Carbon Black and Agri Radial Tires across their respective life cycles. The scope included:



Agri radial tire and Carbon black variant

Cradle-to-grave approach, encompassing raw material extraction, transport, manufacturing, use phase and end-of-life treatment.



Functional units were defined to standardise comparisons and quantify impacts: 1 Kilogram (kg) of the manufactured product. These products contribute to around 27% of the total production.

Life Cycle Inventory (LCI)

The Life Cycle Inventory (LCI) phase involved comprehensive data collection across multiple operational domains to ensure a robust and accurate environmental assessment. For both the Carbon Black and Agri Radial Tire products, detailed Bill of Materials (BOMs) were compiled, capturing the composition and sourcing of raw materials.

In the case of Carbon Black, a key sustainability feature is the utilisation of off-gas generated during the production process. This gas, which would otherwise be released into the atmosphere, is captured and repurposed for energy generation and utilised within the Bhuj unit.

This practice reduces the dependence on external fuel sources, lowers greenhouse gas emissions, and enhances overall energy efficiency.

Additionally, recycled materials are integrated into the Agri Radial tire production stream, contributing to resource conservation and waste minimisation. The BOM includes a blend of natural and synthetic rubbers, carbon black, and reinforcing materials such as bead wire and steel cord. BKT has made conscious efforts to incorporate recyclable and recycled inputs, including reclaimed rubber and recycled steel, which support circularity and reduce the environmental burden of raw material extraction.

Transport data for inbound and outbound logistics were sourced from SAP systems, enabling precise modelling of emissions associated with material movement. Energy and waste data including electricity, fuel, water usage, and waste generation were collected from the Bhuj manufacturing unit. For the use phase and end-of-life scenarios, data were derived from internal studies and literature. To ensure reliability and consistency, all collected data underwent authentication through cross-verification with internal reports and documentation. This rigorous approach to inventory analysis reinforces the credibility of the LCA results and reflects BKT's commitment to sustainable manufacturing and data-driven environmental management.

Life Cycle Impact Assessment (LCIA)

The Recipe method was used to translate inventory data into environmental impact indicators across 18 midpoint categories (e.g., climate change, ecotoxicity, resource depletion) and 3 endpoint categories. The hierarchy perspective was used as the default model, representing a balanced scientific consensus.

Mid-point indicator	Unit	Potential contribution
Climate change	kg CO ₂ equivalent	Assesses potential global warming from greenhouse gas emissions
Ozone layer depletion	kg CFC-11 equivalent	Evaluates increased UV radiation due to ozone-depleting substances
Terrestrial acidification	kg SO ₂ equivalent	Measures acidification of soil and water from SO _x , NO _x , and NH ₃ emissions
Freshwater eutrophication	kg P equivalent	Assesses nutrient enrichment in freshwater bodies leading to oxygen depletion
Marine eutrophication	kg N equivalent	Evaluates nutrient enrichment in marine environments
Human toxicity	kg 1,4-DCB equivalent	Measures potential health risks from exposure to toxic substances
Terrestrial ecotoxicity	kg 1,4-DCB equivalent	Assesses toxic effects on terrestrial ecosystems
Freshwater ecotoxicity	kg 1,4-DCB equivalent	Evaluates toxic effects on freshwater ecosystems
Marine ecotoxicity	kg 1,4-DCB equivalent	Measures toxic effects on marine ecosystems
Photochemical Oxidant Formation	kg NMVOC (Non-Methane Volatile Organic Compounds)	Assesses ground-level ozone formation affecting health and vegetation
Ionising Radiation	kBq U-235 equivalent	Evaluates radiation exposure impacting human health and ecosystems
Fine Particulate Matter Formation	kg PM ₁₀ equivalent	Measures respiratory risks from airborne particulate matter
Agricultural Land Occupation	m ² a	Assesses biodiversity loss due to agricultural land use
Urban Land Occupation	m ² a	Evaluates biodiversity loss from urban land development
Natural Land Transformation	m ²	Measures the conversion of natural land to human use
Water Depletion	m ³	Assesses the consumption of freshwater resources
Metal Depletion	kg Fe eq	Evaluates the scarcity of metal resources due to extraction
Fossil Depletion	kg oil eq	Measures depletion of fossil fuel resources

Mid-point indicators were considered given that they are widely accepted and are less affected by uncertainties and assumption and make them more comparable and consistent across different studies. Furthermore, Mid-point indicators are more transparent and understandable for audiences, making them effective and credible for communication. SimaPro enabled modelling of complex life cycles and provided impact scores for each stage, helping identify the most significant contributors to environmental degradation.

The Environmental Impact Assessment reveals that the majority of emissions contributing to various ecological and human health concerns stem from activities largely outside the direct control of the Company. These include raw material extraction, use-phase emissions and end-of-life processes. Global warming potential is significantly influenced by fossil-based raw materials and energy consumption, while stratospheric ozone depletion is primarily driven by electricity and steam usage within Company operations. We are focused on leveraging renewable energy, utilising off-gas for power generation, adopting alternative materials that are not based on fossil fuels and exploring further opportunities to increase the share of low-footprint alternatives.

Ionising radiation, ozone formation (affecting both human health and terrestrial ecosystems), fine particulate matter formation and various forms of eutrophication and ecotoxicity are linked to upstream and downstream activities. Human Carcinogenic and Non Carcinogenic Toxicity impacts are associated with petroleum based feedstocks, chemical additives and energy related emissions. We are evaluating available low-footprint sourcing options, with a focus on fuel-efficient design, recyclable and non-toxic materials and modular construction.

Land use concerns arise from natural rubber cultivation and textile production, while resource scarcity challenges are tied to the use of metals, minerals, and fossil-based inputs. Our continuous actions such as

joining GPSNR, focusing on the use of recycled material in production, use of simulators in product design emphasise the focus on the 3Rs of waste and optimum utilisation of such input materials for resource conservation, emphasising on Company's focus on this domain. Water consumption, mainly through steam generation and rubber processing, remains in the focus area of the Company. Actions such as migration from groundwater to treated wastewater, increasing cycles of water reuse through STP, ETP and ZLD, recovery of steam condensate, etc., help in reducing its reliance on freshwater withdrawal.

Overall, the Company has further extended its focus on the broader supply chain engagement and sustainable sourcing strategies to mitigate environmental impacts.

Responsible water use and consumption

Water is an essential resource for our business operations, making it a central focus for BKT's sustainability strategy. As a conscientious tire manufacturer, we emphasise water stewardship as integral to our commitment to sustainability. Our approach to sustainable water use and conservation encompasses a multi-faceted strategy that seeks to ensure responsible management and preservation of this vital resource. Through detailed assessments, we identify potential water-related challenges and proactively address them to mitigate shortages and enhance resilience. Our conservation efforts focus on reducing water consumption within our manufacturing processes by adopting innovative technologies that optimise efficiency and minimise usage of water. This includes recycling water within our facilities and implementing advanced water-saving techniques that reduce overall usage. Quality management is also paramount, we ensure that all water discharged from our operations meets or exceeds environmental standards to protect local ecosystems. We actively engage with communities, collaborating on replenishment initiatives that restore water sources and promote sustainable practices. This includes supporting local projects that enhance water availability and quality, thereby contributing positively to regional water security. We have also increased quantity of community treated wastewater utilisation into our operations.

Our comprehensive water management strategy reflects our dedication to sustainable practices, ensuring that we safeguard water resources for



9,337 KL
rainwater stored and used

future generations. By integrating conservation, quality management, and community engagement, we commit to the sustainable use and long-term preservation of water, reinforcing our leadership in environmental stewardship and our role as a responsible corporate. By implementing targeted initiatives, we successfully conserved and utilised 9,337 KL of rainwater, representing 0.45% of our total water consumption during this period. As for our operations, we source water from two primary channels, groundwater and third-party suppliers. To enhance sustainability, we have increased our rainwater harvesting and collection capacity within our facilities by creating reservoirs. This collected rainwater is then utilised in our processes, reducing reliance on freshwater sources and promoting efficient water use. Our water conservation efforts are strengthened by innovative practices that incorporate recycled water. By integrating treated sewage water into various unit operations, we significantly reduce our freshwater usage, thereby

enhancing the sustainability of our water resources. Additionally, we have improved the efficiency of our reverse osmosis (RO) unit operations. We have also installed a Multi-effect Evaporators (MEE) to further increase the contribution of treated water, ensuring that we make the most of every drop and continue to reduce our environmental impact.

We also leverage rainwater in operational processes and deploy Sewage Treatment Plant (STP) water for irrigation, further conserving freshwater and advancing our sustainability efforts. These strategic initiatives significantly reduce our environmental impact while offering substantial financial savings through decreased operational costs. Our holistic approach to water management establishes a benchmark for sustainable water use, ensuring we meet current demands while preserving water resources for future generations.



Climate risk assessment and resilience

Climate change poses substantial risks to our supply chain, customers and operations, influencing every aspect of our business on a global scale. Recognising these challenges, we are committed to conducting thorough climate risk assessments, which serve as the foundation for developing our strategies to transition to low-carbon practices and fortify our resilience against climate-related disruptions.

Our climate risk assessment process involves identifying and evaluating vulnerabilities within our operations and supply chain that are susceptible to climate impacts, such as extreme weather events, changes in temperature and shifting precipitation patterns. By understanding these risks, we have developed strategies to address and mitigate their effects, ensuring the continuity and stability of our operations.

To build resilience, we prioritise the integration of climate-adaptive measures throughout our business model. This includes implementing infrastructure improvements that can withstand adverse climate events, diversifying our supply chain to reduce dependency on regions prone to climate risks and enhancing our operational flexibility to respond swiftly to unforeseen changes.

We are pursuing a low-carbon transition by adopting energy-efficient technologies, expanding the use of renewable energy sources and optimising processes to lower emissions across our operations. These efforts not only mitigate climate-related risks but also align with regulatory requirements and exceed customer expectations for sustainable practices.

By systematically conducting climate risk assessments and implementing strategies to strengthen resilience,

we are committed to safeguarding our assets and ensuring that our business operations remain sustainable. This proactive stance signifies our leadership in climate action, emphasising our obligation to contribute to global sustainability movements and consistently meet the expectations of our stakeholders.

Simultaneously, we have focused on meticulously tracking our Scope 1, Scope 2, and Scope 3 emissions, achieving notable reductions in emission intensity values. To counter climate-related risks, we have developed robust climate resilience and business continuity strategies, aligned with IPCC scenarios and IEA State Policies scenarios. These strategies focus on strengthening supply chain resilience, building disaster-resistant infrastructure, and promoting innovation to adapt to evolving climate challenges..

Infrastructure resilience

Constructing facilities designed to withstand extreme weather events and implementing advanced monitoring systems to detect and respond to climate-related threats promptly. This includes integrating water reservoirs, storage facilities, and treatment units to mitigate water stress and ensuring that our machinery is equipped to handle temperatures up to 50°C.

Supply chain adaptations

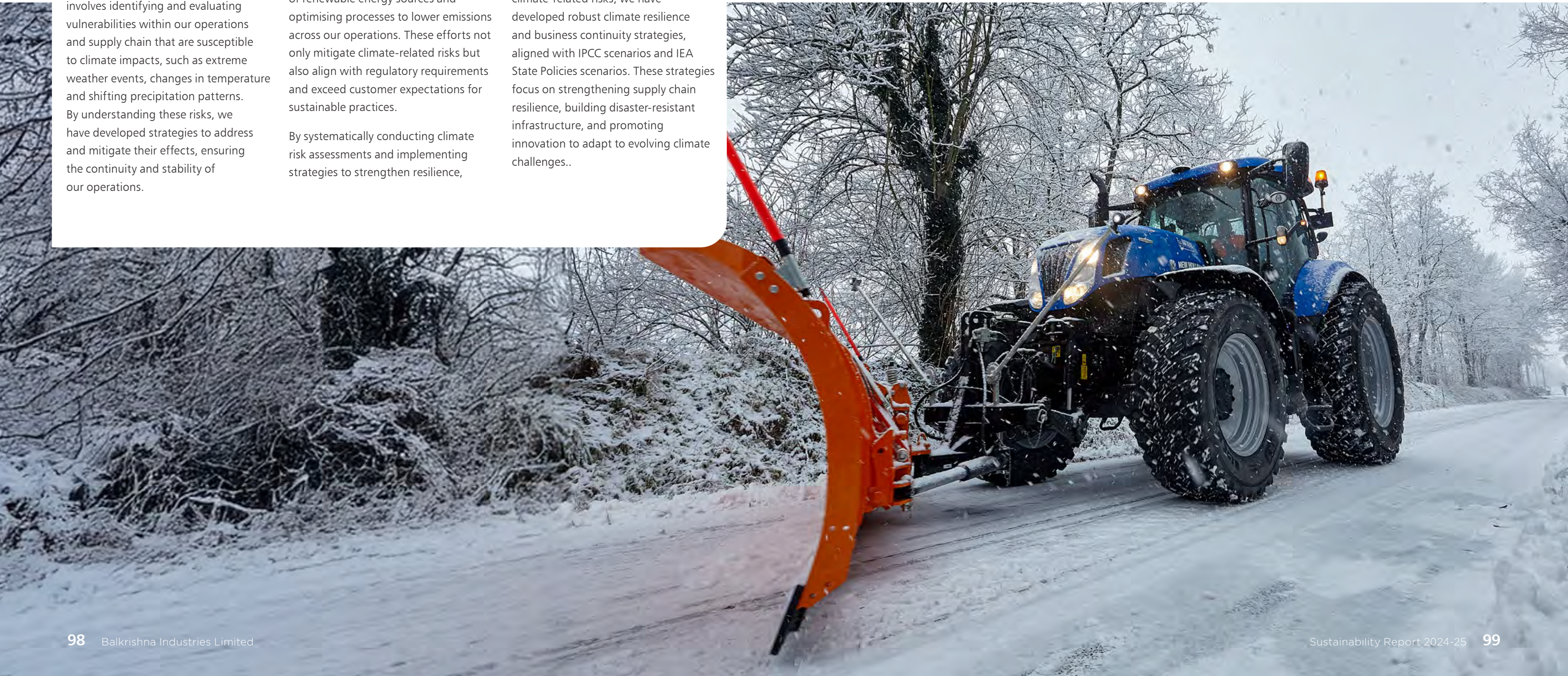
Conducting regular business impact assessments to identify potential threats such as natural disasters, diversifying suppliers and inventory to maintain operations during disruptions. Our proactive approach involves identifying alternative suppliers and regions for raw materials to reduce dependency on climate-vulnerable sources.

Innovative solutions for sustainability

Investing in Research and Development to explore new technologies and materials that enhance our resilience and reduce our environmental impact. This includes designing products that are efficient in material and energy use and deploying renewable energy solutions wherever feasible.

Governance and oversight

Our governance structure is designed to provide the necessary oversight and support for planning strategies, developing management approaches and responding to climate-related risks and opportunities. This ensures accountability at the highest levels of the organisation, aligning with investor and stakeholder expectations.



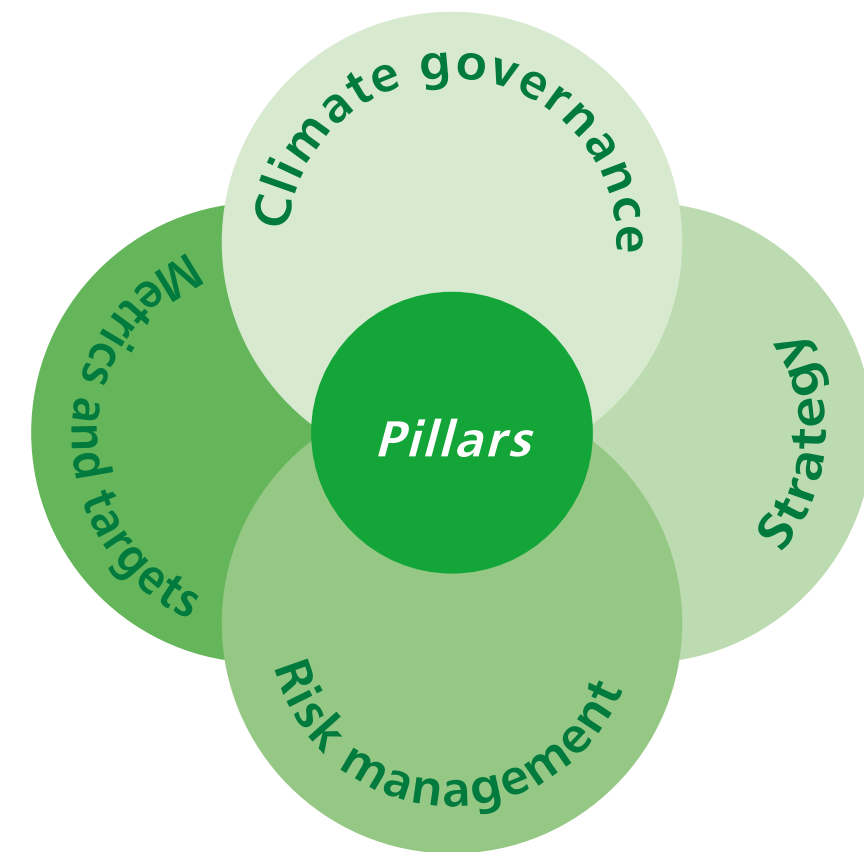
Task Force on Climate-related Financial Disclosures (TCFD)

To systematically identify and assess climate-related risks across our operations, we performed a detailed analysis of climate-related risks and opportunities and have aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and partially with IFRS S2 standards for FY 2024-25.

The report also provides insights into our risk management processes and the climate-related performance of BKT's operations and subsidiaries. It outlines our progress, key learnings and future initiatives. This was followed with consistent climate awareness workshop involving employees, management and the Board of Directors to foster informed discussions on climate-related risks and opportunities. This analysis was reviewed by the Business Responsibility and Sustainability Committee and the

Risk Management Committee, which confirmed that our approach remains robust and adequate for ongoing risk management. Recognising the critical importance of integrating climate considerations, including the use of scenario analysis to evaluate the resilience of our business under both gradual and abrupt transitions to a 1.5°C world, potential impacts, risks and opportunities from various climate events were identified. BKT has developed a comprehensive inventory of Scope 1, 2, and 3 GHG

emissions and is actively working on a roadmap for decarbonisation for a cohesive integration into our strategy. Our approach includes a strong governance structure, a well-defined strategy supported by targeted actions and the integration of climate related metrics and targets. This report includes climate-related financial disclosures consistent with the TCFD recommendations, covering the following areas:



Climate governance

Board oversight

BKT's Board of Directors with the support of our senior management brings together a diverse range of expertise, which includes industry, finance, law, operations and strategy enabling effective oversight of compliance and ethical standards while minimising legal and reputational risks. In line with its sustainability objectives, BKT is actively advancing climate strategies focused on both mitigation and resilience.

Oversight of climate-related initiatives is led by the Business Responsibility and Sustainability Committee and the Risk Management Committee, which work closely with the Board, including the Chairman and Managing Director, to guide strategic responses to climate risks and opportunities. These committees collaborate to shape BKT's ESG strategy, manage climate-related risks and ensure consistent implementation across the organisation.

The Board-level committees meet regularly to review sustainability policies, goals, targets and performance metrics, reporting annually to the Board. They are ultimately responsible for executing BKT's sustainability strategy, supported by key leaders and the ESG team in addressing climate-related concerns.

GOVERNANCE FRAMEWORK

Supported by the Corporate Sustainability Team, the governance framework ensures the consistent implementation of climate strategies to foster resilience and long-term organisational sustainability. Our comprehensive governance approach aims to maintain a climate-resilient and adaptive framework, address the evolving business landscape, and contribute to the long-term success and sustainability of our organisation.

Key focus areas

Risk management

- Covers the approach to risk management and internal controls
- Process of identifying, assessing, and mitigating risks
- Commitment to cybersecurity and data protection

Oversight and compliance

- Internal oversight bodies (second line of defence and internal audit)
- External oversight bodies
- Regulatory or legal requirements that the Company adheres to

Transparency and disclosure

- Annual Report
- Sustainability Report
- BRSR
- Stakeholders Engagement
- Corporate Social Responsibility Report (CSR)

Board of Directors

Oversees overall ESG strategy and performance

Executive Leadership Team

Plays a crucial role in advancing an organisation's ESG agenda, decision-making and implementing climate strategies

Corporate ESG Team

Responsible for guiding and coordinating the organisation's ESG efforts

Site specific leads

Coordinates with corporate team and site teams on sustainability efforts

Site-specific teams

Implements sustainability projects and initiatives

Committees within the Board

Support the Board of Directors and the Executive Leadership Team in addressing specific areas of responsibility.

Committees responsible for decision-making and strategic planning

Role

Audit Committee

Supervises the Company's internal control and financial reporting process.

Nomination and Remuneration Committee

Ensures that individuals with the skills, leadership ability and vision necessary to drive sustainable growth are appointed to key roles

Stakeholders Relationship Committee

Resolve the grievances of security holders, overseeing shareholder services

Corporate Social Responsibility

Monitor the annual action plan for the CSR initiatives from time to time

Business Responsibility and Sustainability Committee

Review ESG targets and performances

Risk Management Committee

Integrate ESG-related risks into the enterprise-wide risk management system



The assessment's impact on BKT's business, strategy, and financial planning includes:

Business Model

The Climate Risk Assessment has helped us to identify climate-related risks and opportunities impacting core business operations, including potential supply chain disruptions, changes in customer demand, and the adoption of new technologies and processes.

Strategy

The decarbonisation roadmap has detailed the Company's strategic response to climate-related risks and opportunities. This includes setting targets for reducing greenhouse gas emissions, investing in renewable energy, and developing products and services that align with a low-carbon economy.

Financial planning

The findings from the Climate Risk Assessment are integrated into the Company's financial planning, guiding resource allocation for capital expenditures, identifying funding sources for climate-related initiatives, and evaluating the financial implications of regulatory changes and market shifts.

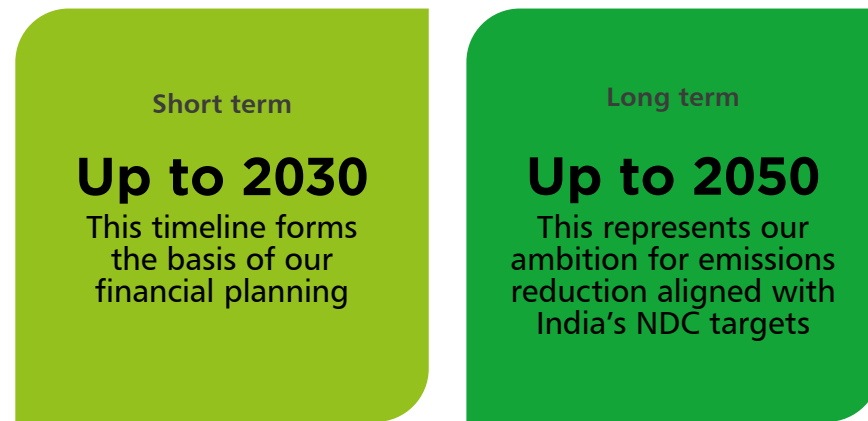
Climate strategy

Climate-related risks and opportunities and their impact on business

To identify the material risks and opportunities, we actively monitor and evaluate external factors to maintain business continuity. We conducted scenario analysis to understand how various climate futures that could impact BKT, particularly scenarios with physical risks and transition risks, affect our business model and operations. With this, we have strategised to enhance resilience that could include diversifying energy sources, investing in infrastructure that withstands climate impacts and developing flexible supply chains.

Scenario analysis

As a basis for undertaking the climate risk assessment, we defined short, medium, and long-term horizons to evaluate the financial business impacts of risks and opportunities.



The Shared Socioeconomic Pathways (SSPs) are scenarios we have used to explore different futures based on various combinations of socioeconomic development and climate policies. SSP2-4.5 and SSP5-8.5 represent two distinct pathways.

SSP 2-4.5 (MIDDLE OF THE ROAD)

Socioeconomic development

Represents a middle-of-the-road scenario where global development patterns continue along current trajectories with moderate improvements in economic growth, technological advancement and social equality.

Key characteristics

This pathway balances economic growth with efforts to address climate change, aiming to limit global warming to around 2-3°C by 2100.

SSP 5-8.5 (FOSSIL-FUELED DEVELOPMENT)

Climate policy

Assumes minimal climate change mitigation efforts, with policies primarily focused on economic development and maximising energy production from fossil fuels.

Climate policy

Assumes moderate climate change mitigation efforts with a focus on sustainability and environmental conservation.

Socioeconomic development

Envisions a future where global development is characterised by rapid and uneven growth, significant disparities in wealth, and technological advancements that heavily rely on fossil fuels.

Key characteristics

This pathway leads to high greenhouse gas emissions, resulting in severe climate impacts, with potential global warming exceeding 4-5°C by 2100.

Physical risks

We assessed physical climate risks for 9 units in India using historical data and future projections of acute and chronic hazards from WWF, NOAA, World Bank and IPCC databases. Our analysis applied IPCC AR6 scenarios SSP2-4.5 (business-as-usual) and SSP5-8.5 (worst-case) for 2030 and 2050 timelines. Heatmaps were developed to show baseline risks and their changes over time. The findings highlight key climate risks impacting our locations in both the near and long term.

Identified risks	SSP2-4.5		SSP5-8.5		Risk implications	Adaptation measures
	2030	2050	2030	2050		
Water stress	↑	↑	↑	↑	Insufficient water supply: <ul style="list-style-type: none"> Can lead to overheating, increased wear/tear, and breakdown of machinery. Can interrupt the vulcanisation process, leading to production delays and potentially lower quality tires. Can affect the unit's ability to treat and recycle wastewater effectively. Can impact overall unit hygiene and operational safety. Can lead to higher operational costs due to obtaining water from alternative sources. 	Water reservoirs, storage facilities, and underground water tanks are already in place. <ul style="list-style-type: none"> Implemented rainwater harvesting techniques to inject the water into the ground. Have borewell for emergency requirements, with all approvals in place. Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs) are already in place to manage the wastewater. Multi-effect Evaporators (MEE) installed at Bhuj and Waluj
Extreme heat	↑	↑	↑	↑	Prolonged exposure to high temperatures can cause machinery to overheat, leading to breakdowns or reduced efficiency. <ul style="list-style-type: none"> Can lead to inconsistencies in the rubber compound that can cause defects and lower overall product quality. Can cause rubber and other materials too soft or sticky, complicating the mixing, shaping, and moulding processes, leading to inefficiencies and defects. Can deteriorate the finished and raw materials, affecting their performance and longevity. Can cause heat-related illnesses (i.e. heat stress and heat strokes) to workers, leading to decreased productivity. 	<ul style="list-style-type: none"> Machines are designed to withstand up to 50°C. Have backup of the critical machinery and sufficient spare parts available in case of emergency. Adequate facilities are available for workers to prevent heat-related illnesses (e.g. air washers are installed and ORS is provided regularly to workers in the curing area). Raw materials and products are stored in the covered warehouses. We are monitoring/controlling temperatures throughout the manufacturing process to ensure product quality. Open windows, fans, water coolers and exhaust fans, are provided at the workplace.

↑ High → Medium ↓ Low

Identified risks	SSP2-4.5		SSP5-8.5		Risk implications	Adaptation measures
	2030	2050	2030	2050		
Cyclone	→	→	→	→	<ul style="list-style-type: none"> Can damage buildings, roofs, windows, and walls, leading to costly repairs and downtime. Heavy rainfall allied with cyclones can cause flooding and can damage machinery, raw materials, and finished products. Can lead to power outages. Downtime and production halts can lead to significant financial losses. 	<ul style="list-style-type: none"> Chimneys, RCC, and Silos at the existing units are built to withstand high wind speeds relevant to the Unit locations. The drainage system is designed to manage any extreme rainfall. Has power backups and DGs to run essential machinery. At some units, we have a solar power plants as well.
Extreme rainfall	↑	↑	↑	↑	<p>Extreme rain-led flooding:</p> <ul style="list-style-type: none"> Can force the closure of manufacturing units. Can damage machinery, production lines, and electronic systems, leading to costly repairs and downtime. Can disrupt utilities such as power and water essential for manufacturing processes. Can spread hazardous materials used in tire manufacturing, leading to environmental contamination. 	<ul style="list-style-type: none"> Good drainage system, so flood water washed out. Some sites are located at a certain foot high from the roadside. Some sites are surrounded by drainages, so the stormwaters get evacuated quickly. Sites have a pump facility to pump out the water if required. DG backup is present in case of a power shutdown. Ensure that hazardous materials are stored in secure, well-labelled, and leak-proof containers designed to withstand floods.
Riverine flooding	↓	↓	↓	↓	<p>Riverine floods:</p> <ul style="list-style-type: none"> Can force the closure of manufacturing units. Can damage machinery, production lines, and electronic systems, leading to costly repairs and downtime. Can disrupt utilities such as power and water essential for manufacturing processes. Can spread hazardous materials used in tire manufacturing, leading to environmental contamination. 	Undertake the same preventive measures as above to ensure flooding doesn't impact on the operations.
Landslide	↓	↓	↓	↓	No material financial impact is expected.	No mountains nearby. All concrete structures in nearby surroundings.

↑ High → Medium ↓ Low

Transition risks

Transition risks from climate policies and regulations are critical for our industry, impacting production, energy costs, logistics, and product demand due to rising sustainability expectations. We used the International Energy Agency's (IEA) Stated Policies Scenario (STEPS) and Announced Policies Scenario (APS) from the 2023 World Energy Outlook to assess these risks. STEPS explores broad energy futures, while APS focuses on ambitious climate targets.

For India, we prioritised the IEA APS scenario as it aligns with India's Nationally Determined Contributions (NDCs) and net-zero goal by 2070, reflecting the likely transition pace and risks. Our analysis covers near-term (2030) and long-term (2050) horizons.

Identified risks and opportunities	Risk or Opportunity	IEA Steps vs. IEA Aps		Risk implications	Mitigation measures
		2030	2050		
Emerging carbon related regulations	Risk	↓	↑	<p>Carbon pricing and other related regulations like CBAM could:</p> <ul style="list-style-type: none"> directly impact the costs of operations as cost of carbon emissions increases; indirectly impact the operating costs as raw materials like carbon black feedstock, electricity, chemicals, etc. would increase. 	<p>We are:</p> <ul style="list-style-type: none"> in process of reducing our operational carbon footprint; in the process of identifying low carbon alternatives for emission intensive raw materials.
Deforestation-related regulations	Risk	→	↑	<p>Increase in deforestation related regulations could lead to:</p> <ul style="list-style-type: none"> increase in cost of compliance with such regulations; increase in the costs of procurement of raw materials. 	<p>We are:</p> <ul style="list-style-type: none"> at an advance stage of EUDR implementation; evaluating alternate raw materials and supply chain to ensure adherence to such policies.
Decarbonisation plans	Risk	↓	↑	<p>Decarbonisation plans of the countries where our value chain exists could:</p> <ul style="list-style-type: none"> result in unanticipated capital and operating expenditure on low carbon production alternatives; lead to an increase in the costs of delivering goods to end users using low carbon logistics. 	<p>We are:</p> <ul style="list-style-type: none"> planning to reduce our operational carbon footprint; building an understanding of our value chain related emissions and will plan abating those in the coming years.
Shipping costs	Risk	→	↑	<p>International Maritime Organisation is looking to decarbonise the shipping industry. It will lead to increase in shipping costs from:</p> <ul style="list-style-type: none"> levy and increase on carbon costs of emissions of the ships. looking for alternate low carbon shipping which is expected to come at a price premium. 	<p>We are looking at long term solutions by engaging with our logistics providers to have a cost-effective low carbon delivery solution.</p>

↑ High → Medium ↓ Low

Identified risks and opportunities	Risk or Opportunity	IEA Steps vs. IEA Aps		Risk implications	Mitigation measures
		2030	2050		
Consumer demand for green products	Risk	→	↑	Customers may shift preferences towards tires aiding to fuel efficiency during use-phase or tires products with less embodied carbon which can lead to loss of current market share if the pace of development of such technology does not match with customer shift resulting in the loss of revenues.	We are looking to decarbonise our operational footprint that will help to sell low carbon products into the market. Further as we address the rest of the value chain of emissions, the footprint is expected to come down even further.
Higher rolling resistant tires	Risk	↓	→	Increased requirement on improving rolling resistance which can directly impact operational cost from increased use of chemicals that help bring higher resistance. This could also lead to higher research and development costs.	We regularly conduct market studies to understand the demand from our clients and develop products that suit their requirements and charges prices accordingly. Hence, we expect that any such change in quality of tire will be well understood ahead in time and acted upon.
Deployment of breakthrough technologies like Carbon Capture, Utilisation and Storage (CCUS)	Risk	↓	↑	Investment in upcoming technologies like CCUS could lead to additional capital and operating expenditure which may not be planned. It could also lead to disruption of operations if any breakthrough technology fails during deployment resulting in loss of revenues.	We are in the process of identifying the different technological pathways that can help reduce our emissions in the short, medium and long term. It will develop signposts to ensure adapting for newer technologies as and when they become techno economically viable.

↑ High → Medium ↓ Low



Identified risks and opportunities	Risk or Opportunity	IEA Steps vs. IEA Aps		Risk implications	Mitigation measures
		2030	2050		
Procurement of renewable electricity	Opportunity	↓	↑	Shifting from grid-based electricity to renewable electricity could result in costs savings as it is cheaper through owned installations or through power purchasing agreements.	We are adopting renewable energy sources based on the policies of each state where we operate. We will continue to deploy more renewable electricity wherever the policy and infrastructure will support access to green electricity.
Energy and material efficiency	Opportunity	↓	↑	Designing products that are efficient on material and energy use can help reduce costs and increase profitability.	We deploy a continuous process where employees are incentivised to come up with solutions to improve efficiencies and we continue to look at process improvements worldwide and deploy the relevant technologies as and when they become viable.
Exploring solutions for new age mobility like EVs, FCEVs etc.	Opportunity	↓	↑	A new market for EVs and FCEVs will open in the low carbon transition where the products will need to be designed by considering that heavier EVs/FCEVs could lead to more wear and tear of tires.	Our research and development team is always exploring improvements in tires and we will adapt to the requirements whenever it is needed.

↑ High → Medium ↓ Low

Low-carbon products

At Balkrishna Industries Limited (BKT), we are committed to advancing sustainable manufacturing through low-carbon product innovation. LCA reflects that our Carbon Black Variant and Agri Radial Tire, both produced at our Bhuj facility, are designed to deliver high performance with a reduced environmental footprint. These reductions are driven by process efficiencies and material innovations, including closed-loop systems that enable material reuse, the use of recycled feedstocks such as recovered carbon black from end-of-life tires, an optimised energy mix comprising off-gas,

coal, and grid electricity, and a zero-waste manufacturing approach where all process waste is internally reused. Compared to industry benchmarks, our product's LCA demonstrate avoided emissions of around 200 kg tCO₂e for Carbon Black variant and 1,340 kg tCO₂e for the Agri Radial Tire, reinforcing our commitment to environmental stewardship and continuous improvement. These low-carbon solutions help our customers reduce embedded emissions in tires and rubber goods, directly supporting decarbonisation across the value chain.

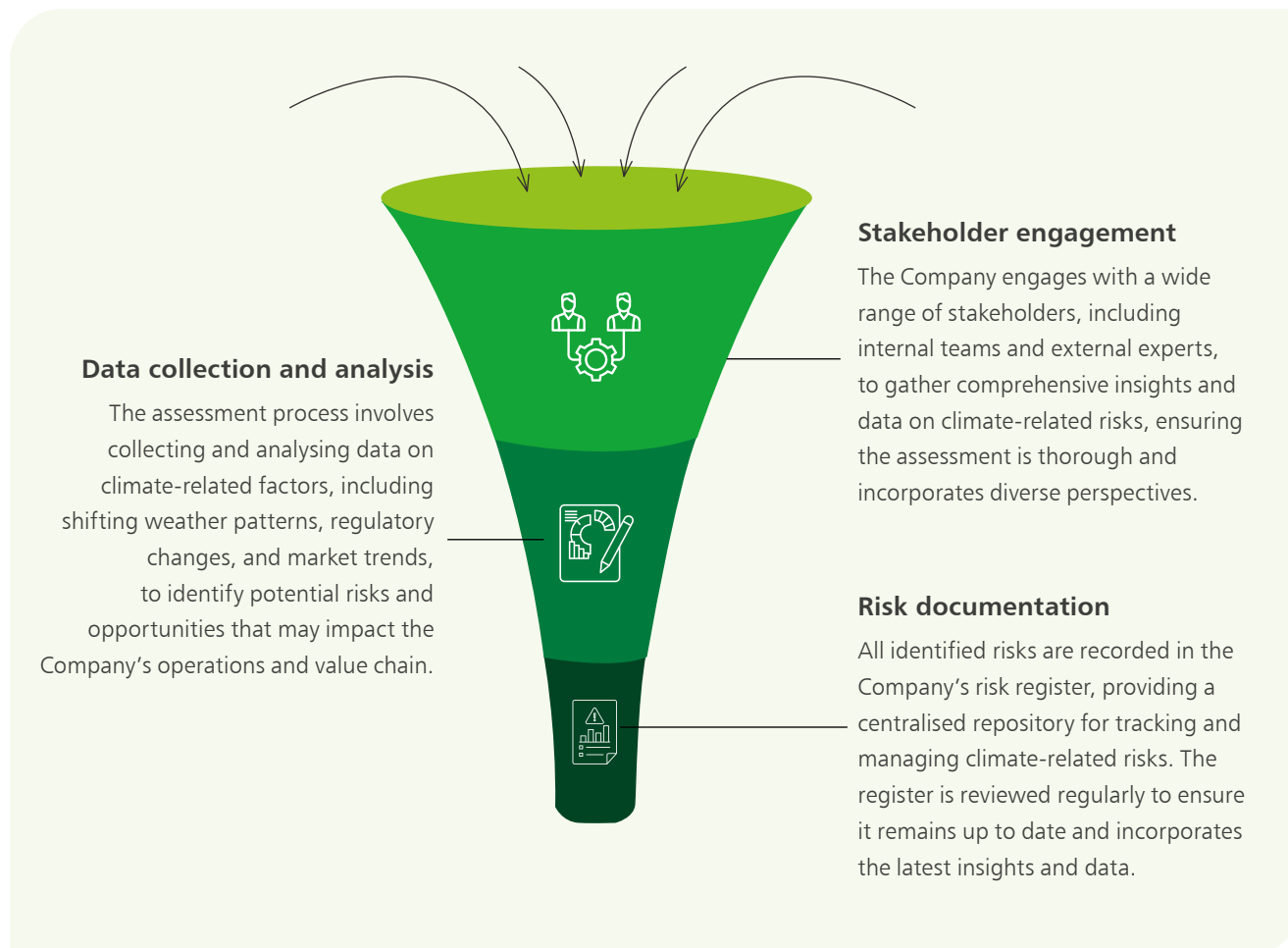
Risk management

In our industry, a robust risk management framework is critical to ensuring safety, mitigating product liability risks, managing supply chain disruptions, addressing environmental challenges, and maintaining financial stability.

Effective corporate management and governance require the responsible handling of risks through the alignment of people, processes, and technology across the organisation. Our proactive approach focuses on the continuous identification and thorough assessment of potential risks to prevent escalation. Key focus areas include company strategy, planning, business development, risk management,

compliance, and sustainability. The Business Responsibility and Sustainability Committee collaborates closely with the Risk Management Committee to address matters related to strategy, business growth, risk assessment, risk management, and compliance, ensuring comprehensive oversight and alignment with organisational goals. Our governance practices are strengthened by a holistic

enterprise risk management approach, underpinned by robust internal control systems and a strong commitment to sustainable business practices. This framework safeguards operations while promoting long-term success and resilience. At BKT, the process for identifying and assessing climate-related risks follows a structured, multi-step approach.



Financial implications, and risks and opportunities due to climate change

We have estimated the financial impacts of physical and transition risks & opportunities through this climate risk assessment. The results of financial implications for selected risks and opportunities are disclosed to highlight the depth of our study and track the ground implementation of adaptation measures. The financial impact analysis will help us to plan our CAPEX and OPEX to increase the climate resilience of our operations. Thus, we protect the interests of our stakeholders and maintain business sustainability.

Impact of physical risk

BKT evaluated how projected shifts in average temperature due to extreme heat might affect electricity needs across its facilities, aiming to maintain

optimal conditions for both staff and digital equipment. Anticipated impacts include a rise in the use of air handling units (AHU), heightened water demand for air washers, and increased electricity consumption due to the greater load on air conditioning systems.

Additionally, the company evaluated the effects of water scarcity for planning the potential need for building extra reservoirs or water tanks, along with sourcing water from alternative suppliers. This assessment aimed to comprehend the financial consequences of future water shortages across various time frames and scenarios.

Water as a critical resource

Water is a critical natural resource for ensuring the continuity of business. The climate risk assessment study has given us significant insights into the potential increase in water stress on our operations and the associated costs that

₹251.89 million invested during FY 2024-25

we might incur. We use comprehensive water consumption monitoring systems to ensure our freshwater withdrawal and consumption remain efficient. To mitigate water stress risks, we have implemented several initiatives that will reduce our water intensity. These initiatives are centred on two pillars: improve process efficiency and increase water recycling.

The scenario analysis conducted highlighted the financial implications of water stress-related risks on operating costs to be ₹1 million to 6.8 million over 5 years to 25 years timeframe. To mitigate water risks and improving system efficiencies, we invested ₹251.89 million during FY 2024-25 in new technologies to optimize our water consumption.





Deforestation-related regulations

BKT as a leading tire manufacturer having significant exports to European Union is required to comply with EU Deforestation Regulation (EUDR). This regulation prohibits placing on or exporting from the EU market any covered commodity or product unless we can prove it is Deforestation-free i.e. produced on land not subject to deforestation after 31 December 2020, and (for wood) not causing forest degradation. Since Natural rubber and many rubber-derived products, including tires, are required to map our SKUs to confirm coverage for each product line.

The transition risk analysis suggests that potential gaps in EUDR compliance could present challenges to accessing the EU market. However, given the organisation's advanced level of preparedness and the proactive measures already in place, we do not foresee any material risk of non-compliance.

To ensure compliance with EUDR rules, we have developed a comprehensive assessment of our supply chain and mitigation roadmap. Some of the actions that we plan to undertake are:

- Strengthen supply chain traceability
- Develop robust due diligence processes
- Enhance risk assessment and mitigation strategies
- Implement comprehensive monitoring and reporting mechanisms
- Conduct regular supplier and vendor audits
- Introducing an electric vehicle truck for the internal transportation of carbon black at the Bhuj unit
- Automating street lighting through the use of photo sensors
- Replacing conventional blowers with energy-efficient EC fans
- Enhancing energy efficiency by substituting Star-Delta starters with VFDs on various equipment
- Upgrading ordinary exhaust and wall-mounted fans with energy-efficient BLDC fans
- Switching the refrigerant in air conditioning systems from R-22 to R-32
- Implementing a common drain tank for the Hot Feed and Duplex Extruder process, optimising the use of chillers and pumps
- Installing energy-efficient IE4 motors on hot water pumps and vacuum pumps to reduce energy consumption

Opportunities of climate change

Our manufacturing facilities are actively pursuing various initiatives to reduce greenhouse gas emissions. We emphasise the integration of wind and solar energy into our operations, coupled with the continuous implementation of a range of emission reduction strategies. In FY 2024-25, we invested ₹179.87 million in CAPEX towards energy efficiency and renewable energy adoption.

Our key environmental sustainability efforts include:

- Installing additional rooftop solar panels to boost our renewable energy capacity
- Transitioning from diesel-operated forklifts to battery-operated models

Through the implementation of these initiatives, we aim to save multifold on our energy costs. We expect to save ₹59.79 million in operating costs over the next 5 years.

Metrics and targets

We are in process of developing emissions reduction targets using Science Based methodology to support our transition to a low-carbon future.

Our emissions performance over the past three years reflects our ongoing commitment to sustainability.

In FY 2024-25, non-renewable grid electricity use with respect to intensity reduced by 21.37% YoY, following a 6% reduction in FY 2023-24, driven by greater renewable integration and efficiency measures. Water stewardship remained a priority, with groundwater withdrawal at water-stressed units reduced 43.54% in FY 2023-24

and total withdrawals with respect to intensity down by 0.52% in FY 2024-25. Our green cover initiatives expanded, from 24,937 trees planted in FY 2023-24 to 35,701 trees in FY 2024-25, covering 19,177 m². Emission reduction programs avoided 5,931 tCO₂e in FY 2023-24, rising to 7,306 tCO₂e in FY 2024-25 from renewable energy use.

Renewable material use in primary products increased from 91,389 MT in FY 2023-24 to 106,061.35 MT in FY 2024-25, reinforcing our shift towards circularity.

35,701
trees planted in FY 2024-25



Energy management

At BKT, our energy management plan focuses on advancing efficiency and championing sustainability to drive the future of tire manufacturing.

At BKT, our approach to energy management is rooted in the belief that efficient and effective energy use enhances operational agility and resilience, maximises stakeholder value and bolsters our competitive edge. To this end, we prioritise the management and optimisation of our systems and processes with an aim to boost operational efficiency and reduce specific energy consumption.

Our energy portfolio includes a diverse mix of sources such as off-gas, coal, PNG (piped natural gas), diesel, LPG and grid electricity. We are also committed to integrating renewable energy as a source of energy consumption,

understanding the importance of diversifying energy mix as a vital strategy for decarbonisation. To support this transition, we have developed and are actively implementing plans to increase the proportion of renewable energy in our mix. This is achieved through both on-site renewable energy generation and an open-access model that allows us to tap into additional renewable sources.

By embracing a diversified energy strategy, we enhance the sustainability of our operations and reduce our carbon footprint, aligning with broader environmental goals. This comprehensive energy management

approach ensures that we remain adaptable in a rapidly changing energy landscape while contributing to global efforts to mitigate climate change impacts. Through these initiatives, we demonstrate our commitment to energy efficiency, environmental responsibility, and sustainable growth.

An energy audit was conducted at our Bhuj, Bhiwadi and Chopanki units to assess and optimise energy consumption practices. This initiative is part of our ongoing efforts to improve energy efficiency, reduce environmental impact and support sustainable operational practices.

Energy performance

During FY 2024-25, our total energy consumption increased by 5.97% compared to FY 2023-24. However, energy intensity per metric tonne of production showed decrease, from 15.43 GJ per metric tonne in FY 2023-24 to 14.85 GJ per metric tonne in FY 2024-25, indicating a reduction of 3.75%. This period also marked a reduction in energy intensity per rupee of turnover, which went down by 5.35%, from 7.24 GJ per ₹ lakh to 6.85 GJ per ₹ lakh.

Our comprehensive energy strategy aims to maximise the use of off-gas and

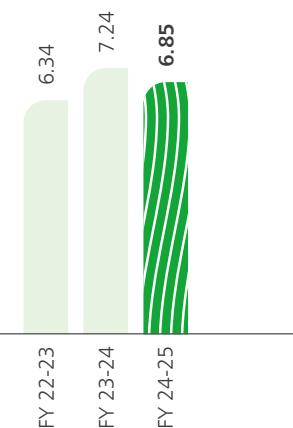
expand the proportion of renewable energy in the energy mix at our major units. This approach has significantly reduced our dependence on grid electricity, leading to a 21.37% YoY increase in energy consumption from renewable sources and a 19.42% increase in renewable fuel consumption compared to FY 2023-24. As a result, the share of non-renewable electricity in our overall energy consumption within the organisation dropped by 0.03%. For energy intensity calculations, we include all energy sources utilised within the organisation, encompassing both renewable and non-renewable energy and fuels used across our operations

and offices. At present, we do not track energy consumption outside our organisation, but we are actively developing mechanisms to calculate and report this data.

We firmly believe that incremental changes, when scaled effectively, can lead to substantial positive outcomes. To uphold this belief, we have strategically invested in and enhanced our energy management practices and operational processes. As a result, our reliance on grid electricity has been on a decreasing trend over the past three years, demonstrating our commitment to improving energy efficiency and sustainability.

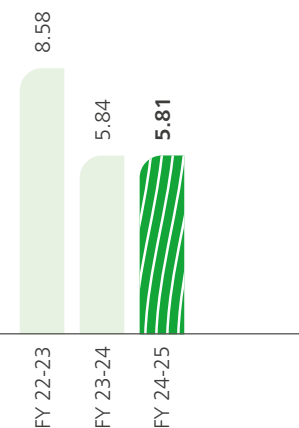
Energy intensity per rupee turnover

(GJ/₹ lakh)



Share of Grid Electricity of total energy consumption within the organisation from all sources

(YoY trend %)



Energy use

Our energy use strategy at BKT is carefully structured to support various processes while striving for efficiency and sustainability. We rely on a blend of energy sources, including grid-sourced electricity, which is derived from both renewable sources such as solar, wind and biogas and non-renewable sources like coal and natural gas.

An important factor of our energy utilisation involves the operation of boilers, which are essential for high-temperature processes vulcanisation. This process is crucial for curing rubber compounds to ensure the strength and durability of our tires. We have largely shifted from using coal to Piped Natural Gas (PNG) and off-gas in our boilers across facilities, reflecting our commitment to increasing reliance on less polluting fuel sources. Additionally, petrol and diesel are used for machinery and transport vehicles, while LNG and PNG fuel various operations, including kitchen facilities. To enhance resource

efficiency, we utilise operational by-products as supplementary fuel for boilers and heating applications. This innovative approach not only minimises waste but also reduces our dependency on traditional fossil fuels.

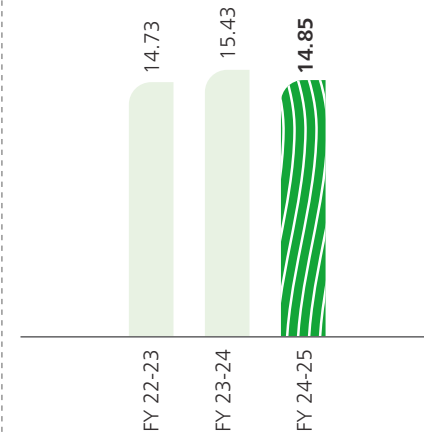
Understanding the environmental challenges presented by fossil fuel consumption, especially coal, we employ a diverse array of strategies to mitigate these impacts. Our utilisation of LPG, PNG, off-gas, wind, solar and biogas demonstrates our commitment to minimising our environmental footprint and transitioning towards more sustainable energy practices.

We are actively pursuing pathways to cleaner energy alternatives. Through strategic investments in renewable energy projects and the implementation of energy efficiency measures, we aim to substantially lower our carbon footprint. These initiatives are pivotal in propelling

our operations toward sustainable practices that are environmentally responsible and economically viable. By continuously refining our energy use strategy, we remain committed to reducing emissions and advancing our sustainability objectives across all areas of our business.

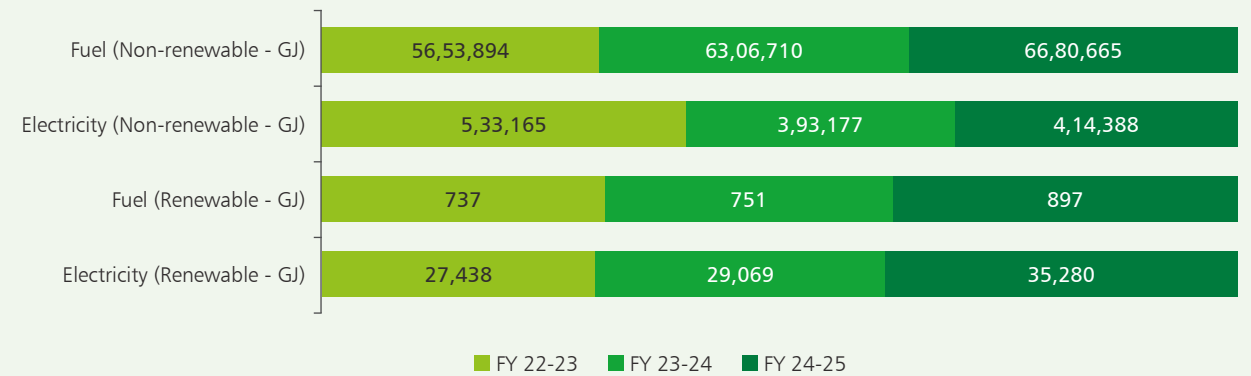
Energy intensity per Metric Tonne (MT) of Production

(GJ/MT)

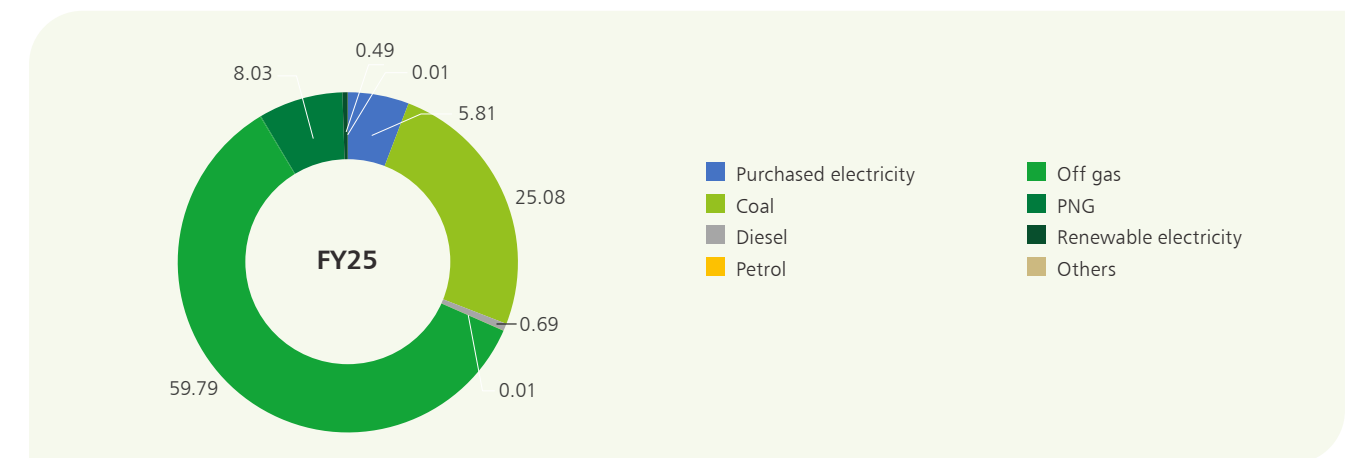


Throughout the financial year, all energy produced within our organisation was fully utilised internally, with no fuel or electricity being sold.

Total Energy Consumption by Type (in GJ)



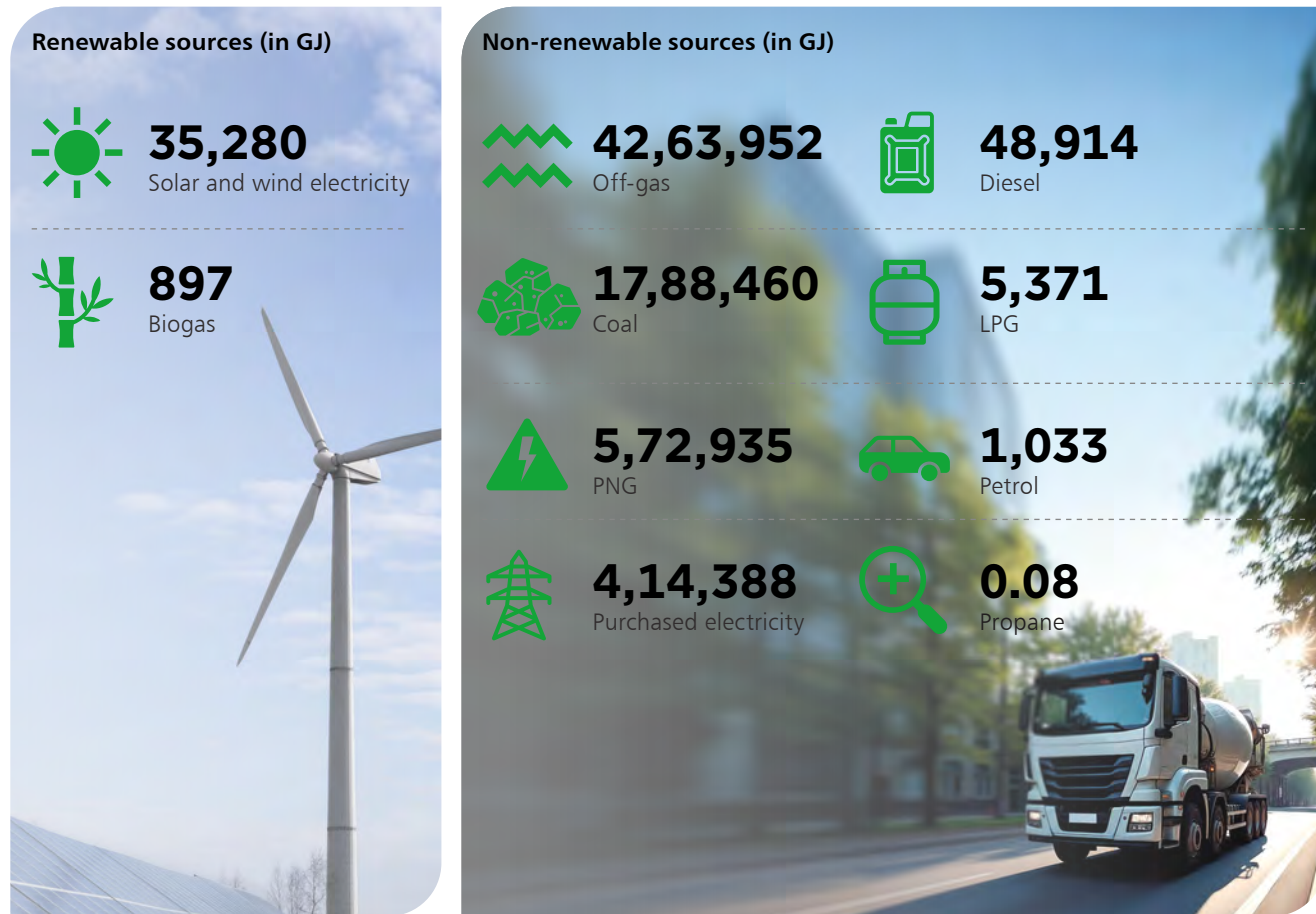
Energy consumption by source (%)



OFF-GAS - AS AN ALTERNATE FUEL

Off-gas generated during the manufacturing process of Carbon black, plays a crucial role in our sustainability efforts. The smoke gas with high calorific value passes through the waste heat recovery boiler system (WHRB) and subsequent off-gas serves as a primary energy source for our thermal energy systems. Later, a certain part of generated steam is utilised into tire and track curing process. This significantly boosts our energy efficiency and reduces reliance on traditional energy sources, highlighting our commitment towards circularity.





Energy efficiency

Energy efficiency is a cornerstone of our sustainability strategy, serving as a pivotal mechanism to lower our Scope 1 and Scope 2 emissions. Our dedication to reducing energy consumption involves a comprehensive approach that encompasses process enhancements, technological investments, and infrastructure upgrades, all aimed at integrating energy-efficient assets into our operations.

We embark on our energy efficiency journey by adopting cutting-edge technologies that are specifically designed to minimise energy use while maximising productivity across our facilities. This includes upgrading existing equipment with state-of-the-art, energy-efficient alternatives that significantly reduce energy demand. Our implementation of motion sensor-based lighting systems, replacement of old motors with energy-efficient

motors, and installation of transparent roofing to maximise natural daylight and automation technologies further exemplify our efforts to decrease energy intensity, streamline operations and elevate efficiency. Such advancements have considerably refined our energy management capabilities, enabling us to track and optimise energy use more effectively.

To reinforce these efforts, we conduct ongoing training sessions and awareness campaigns, ensuring that our workforce is equipped with the knowledge and skills necessary to implement energy-efficient practices. This cultural emphasis on energy responsibility empowers employees to contribute actively to our sustainability goals.

Our commitment to energy efficiency transcends our internal processes, extending throughout our entire value chain. By engaging in strategic

partnerships and collaborating with suppliers, customers, and stakeholders, we advocate for best practices that drive positive change across the network. These collaborations foster a collective effort towards sustainability, enhancing the environmental impact of our industry and benefitting the communities we serve.

Through this holistic approach to energy efficiency, we not only reduce emissions and lower operational costs but also fortify our role as a responsible corporate leader in environmental stewardship. Our ongoing initiatives in energy efficiency embody our determination to create a more sustainable future, advancing both industry standards and the global push for sustainability.

For calculating the organisation’s energy consumption (in GJ), we have consolidated fuel and electricity consumption data from all operational units and applied the relevant conversion factors. We adhere to the GHG Protocol’s standards and methodologies to calculate energy from various fuels and grid electricity used across the organisation. When specific conversion factors were unavailable in the GHG Protocol, developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), we referred to conversion factors and guidelines provided by the Environmental Protection Agency (EPA).



ENERGY-EFFICIENT FAN

Background

At our Bhuj unit, we have improved energy efficiency by replacing an old conventional blower fan with a modern, energy-efficient counterpart. The previous fan contributed to higher energy consumption, as well as increased

noise and vibration. The new installation not only minimises energy usage but also reduces noise and vibration levels, underscoring our commitment to operational efficiency and environmental sustainability.

Objective

To reduce energy consumption by replacing the old blower fan with a new fan.

Result achieved

Total energy saving yearly – 3,25,215 kWh



Action taken

We replaced the old conventional blower fan with a new energy-efficient model to enhance our operational efficiency and reduce energy consumption.

INSTALLATION OF VFD

Background

At our Bhuj unit, we have enhanced energy efficiency by implementing a Variable Frequency Drive (VFD) controlled via a pressure transmitter. This system is installed on the supply pump to ensure smooth and controlled operations. The

pressure transmitter provides real-time feedback, optimising pump performance and leading to significant daily energy savings. This initiative exemplifies our commitment to operational excellence and energy conservation.

Objective

To minimise energy consumption, we have implemented VFDs to manage the operation of pumps.

Result achieved

Total energy saving yearly – 2,19,000 kWh

Action taken

Our facility's three supply pumps, initially driven by 110 KW motors, faced higher energy consumption due to two operating in star-delta mode and one with a VFD lacking feedback. To optimise energy use and enhance performance, we introduced a VFD control system regulated by a pressure transmitter. This integration ensures smooth, controlled operations, reducing inefficiencies and energy usage, in line with our sustainability goals.



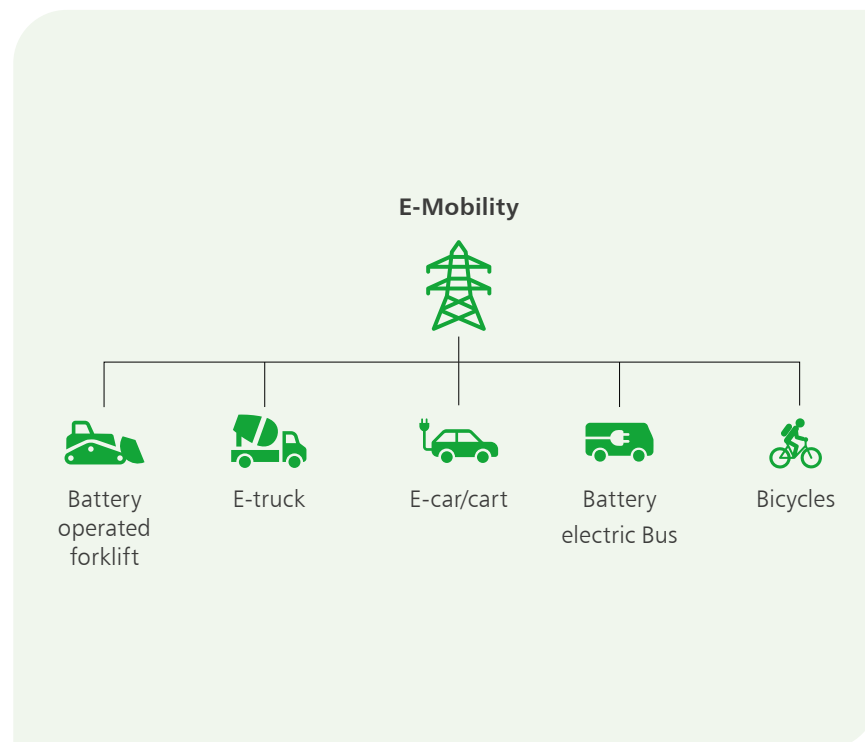
53,127 GJ

of total amount of reduction in energy consumption achieved through targeted initiatives and renewable sources.



Advancing efficiency: Embracing e-mobility in factory operations

BKT has integrated sustainable practices into its operations by deploying battery-powered forklifts in operations, which enhance efficiency and reduce reliance on traditional fuel sources. For internal movement of carbon black within the Bhuj unit, electric trucks are used, ensuring a smoother and more environmentally friendly logistics process. Additionally, employee transportation within largest unit Bhuj is facilitated by electric bus, electric carts, bicycles promoting a convenient and emission free commute. These initiatives collectively contribute to a significant reduction in emissions associated with fossil fuels.



Energy conservation

Leveraging insights from global energy trends and best practices, our targeted efforts towards energy conservation are designed to significantly reduce consumption across our facilities. At the heart of these initiatives is the optimisation of production processes and a strategic investment in energy-efficient equipment, underscoring our commitment to sustainability.

Our approach encompasses the installation of Variable Frequency Drives (VFDs), which allow for precise control of motor speeds and significantly reduce energy usage. Timers for street lighting ensure that lights operate only as needed, preventing unnecessary energy expenditure, while energy-efficient motors and upgraded fan systems further enhance our

operational efficiency. These measures are instrumental in minimising our energy footprint.

We have also introduced timers for pump operations, allowing for smart management of energy consumption during fluid transport processes. Our advanced filter bag designs are tailored to improve filtration efficiency, thus reducing energy demands on ventilation systems. Automation in temperature control units plays a critical role, optimising machinery performance by maintaining ideal operational temperatures without excess energy use.

Beyond technical upgrades, we are deepening partnerships with suppliers and stakeholders to encourage the adoption of renewable energy sources,

fostering a culture of conservation throughout our supply chain. This collaborative approach promotes shared goals, driving collective progress towards energy conservation and sustainability.

Through these comprehensive energy conservation initiatives, we enhance our energy efficiency to contribute towards broader environmental goals. By integrating innovative technologies and nurturing strategic partnerships, we are paving the way for positive change and supporting a more sustainable future for our industry and communities alike. Our efforts reflect a holistic commitment to reducing our environmental impact and exemplifying leadership in responsible energy management.

We have carefully managed the financial implications of these initiatives, balancing the initial capital expenditure with substantial long-term savings. This strategy not only supports our environmental objectives but also delivers economic benefits, underscoring our commitment to sustainable development and corporate responsibility. Through our various initiatives aimed at reducing energy demand across our operations, including renewable energy implementations, we achieved a reduction in energy consumption of

53,127 GJ. This reduction represents 0.26% of the total energy consumed from non-renewable sources during the reporting period.

With a focus on reducing our dependence on non-renewable grid electricity, we are continuously expanding the use of renewable energy across our operations. We are also utilising off-gas from our carbon black manufacturing unit, harnessing the thermal energy produced during unit operations as a valuable energy source that would otherwise be lost. Consequently, we have increased our

consumption of energy from renewable sources like wind and solar, as well as securing energy from biofuels.

In calculating the reduction in energy consumption directly achieved through conservation and efficiency initiatives, we considered efficiency gains across all units during the reporting period. Most of these initiatives revolve around energy conservation and efficiency efforts within our tire manufacturing and thermal power plants, incorporating multiple non-renewable energy sources such as fuel, electricity, and steam.

Fuel efficiency and renewable energy

Our manufacturing operations are intricately designed to leverage a diverse mix of fuel types; strategically balancing energy demands with fuel efficiency and sustainability objectives. This blend includes both non-renewable fuel such as coal, natural gas, diesel, petrol, propane and renewable fuels like biogas, providing a flexible and resilient energy framework.

A substantial component of our energy strategy is the utilisation of off-gas, a by-product of carbon black manufacturing process, which serves as an alternative fuel source within our operations. By capitalising on off-gas, we reduce our reliance on traditional fuel imports and enhance our overall energy efficiency. This not only optimises our fuel usage but also contributes to a lower carbon footprint, aligning with our sustainability goals.

In our quest for fuel efficiency, we are committed to incorporating renewable energy sources alongside traditional fuels. Biogas, derived from organic matter, plays a significant role in our energy mix, underscoring our dedication to renewable energy adoption. By integrating biogas into our canteen operations, we harness clean energy while reducing greenhouse gas emissions, supporting a more sustainable production environment. Our commitment to fuel efficiency, we continuously seek innovative solutions and technologies that optimise energy consumption across our operations. This includes improving combustion efficiency, implementing energy recovery systems and upgrading equipment to ensure it meets the highest efficiency standards.

Through these efforts, we not only improve our fuel efficiency but also contribute to global renewable energy initiatives. Our approach demonstrates a proactive commitment to reducing environmental impact, positioning us as leaders in sustainable manufacturing. By embracing a holistic energy strategy that prioritises both fuel efficiency and renewable energy, we strive to create a more environmentally responsible and economically viable operation, paving the way for a sustainable future.

Our operations strategically leverage solar and wind energy, alongside biogas, as the central pillars of our renewable energy strategy. Our portfolio hosts a 5 MW wind turbine at one location and a solar capacity that has risen to 7 MW in FY 2024–25 across units. Collectively, these installations contributed 35,280 GJ to our renewable energy consumption during the reporting period. Furthering our commitment to integrating alternative energy sources, our biogas

36,177 GJ
renewable energy consumption

59,79%
off gas used as an energy source

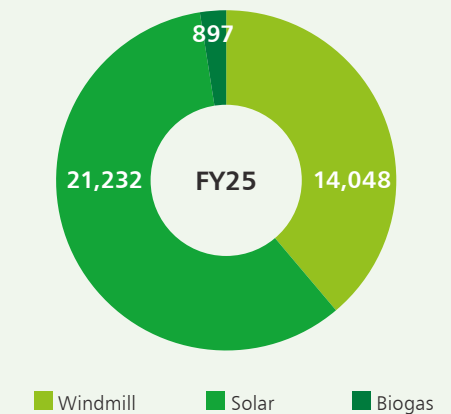
utilisation reached 897 GJ. These initiatives underscore our dedication to sustainability and innovation in energy management.

By expanding the use of off-gas as an energy source across our operations, we are significantly reducing our reliance on coal-powered thermal power plants. In the current financial year, off-gas accounts for 59.79% of our total energy consumption, equivalent to 42,63,952 GJ, making it our largest fuel source. This efficient utilisation of off-gas as a primary energy source underscores its critical role in our operations.



Total renewable energy consumption by source

(In GJ)



Emission management

At BKT, we are dedicated to reducing emissions by implementing advanced technologies and innovative practices. Our focus is on regulatory compliance and actively contributing to a cleaner, more sustainable planet.

Our approach to emission management is centred around the critical relationship between energy performance and the emissions generated by our operations. By conducting detailed analysis of these emissions, we acquire key insights into the environmental impacts associated with our processes. This understanding allows us to pinpoint areas where improvements can be made to reduce our carbon footprint.

Our emission management strategy involves vigilant monitoring to ensure that we have a comprehensive understanding of our emissions profile. Continuous tracking helps us assess the effectiveness of our current practices



and identify patterns that may indicate opportunities for enhancement. This data-driven approach supports informed decision-making regarding targeted initiatives aimed at emission reduction.

Investments in cutting-edge technologies are pivotal to our emission management efforts. By integrating advanced systems and equipment that optimise energy usage and minimise waste, we enhance both operational efficiency and environmental outcomes. These technologies enable us to implement more sustainable manufacturing processes that significantly lower emissions.

Furthermore, our emission management encompasses specific initiatives tailored to address particular sources of emissions within our operations. These initiatives are designed to systematically tackle high-impact areas, ensuring that we achieve both immediate reductions and long-term sustainability goals.

In essence, our commitment to emission management is reflected in a multifaceted approach that mitigates environmental impact and promotes operational efficiency. By embedding these practices into our business model, we demonstrate leadership in responsible environmental stewardship and contribute to broader global efforts to combat climate change.

Throughout the financial year, our total emissions, including Scope 1 and

Scope 2 levels, reached 7,59,456.84 tCO₂e, marking a 7.36% increase over the previous year. Scope 1 emissions are direct emissions from the combustion of various fuels used in our operations, while Scope 2 emissions result from grid electricity usage. We have ensured the inclusion of all relevant sources in these emissions calculations. Moreover, while the use of biofuel produced 49 tCO₂e in biogenic emissions, this figure is excluded from our total emissions calculation.

The majority of our direct emissions originate from the use of off-gas and thermal power plants as energy sources for our operations. Indirect emissions primarily stem from the consumption of purchased electricity across our facilities. Our Scope 1 calculations also account for fugitive and process

based emissions. Notably, our Scope 1 emissions increased by 7.40%, driven by increased use of off-gas in our operations and our Scope 2 emissions increased by 7% compared to the previous year, however our Scope 1 & 2 intensity per rupee turnover has reduced by 4.04%.

Our broader mitigation strategy is centred around continuous assessment and initiatives aimed at energy efficiency, including the utilisation of wasted energy and the expansion of renewable energy within our energy mix. The significant reduction in our purchased electricity consumption reflects these energy efficiency initiatives and enhancements, as well as the integration of renewable energy sources in our operations.

CUTTING SULPHUR EMISSIONS: FLUE GAS DESULPHURISATION (FGD)

Flue Gas Desulphurisation (FGD) technology plays an important role in industrial operations, particularly in reducing sulphur dioxide (SO_x) emissions from exhaust gases produced by the combustion of fossil fuels in boilers. Recent emission monitoring findings of boiler stack

have confirmed the satisfactory performance of the FGD systems, with all emission parameters consistently observed within the prescribed environmental limits. This successful implementation demonstrates compliance with regulatory standards and

significantly curtails SO_x emissions, contributing to further improvement in air quality. By effectively managing sulphur emissions, FGD technology helps industrial facilities mitigate environmental impacts and supports to reduce air pollution.



ENERGY SAVING AND EMISSION REDUCTION THROUGH FLASH STEAM RECOVERY

BKT initiated a groundbreaking project to enhance energy efficiency and reduce CO₂ emissions through the recovery of flash steam from its curing process. By installing specialised pneumatic valves and a deaerator head, the facility captured steam at pressures up to 3-bar, transferring the heat to cooler makeup water and raising its temperature by 30°C-35°C. This strategy preserved an estimated **10 tonnes of steam each day**, substantially reducing energy consumption and **lowering CO₂ emissions by approximately 480 metric tonnes annually**.



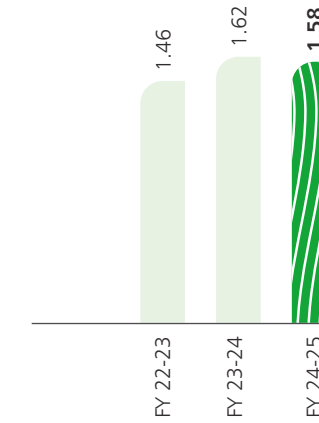
Emission performance

In FY 2024-25, our overall emission intensity per rupee turnover reduced by 4.04% from 0.76 tCO₂e per rupee turnover (in ₹ lakh) in FY 2023-24 to 0.73 tCO₂e per rupee turnover (in ₹ lakh). We strive to put continuous efforts towards reducing emissions across our operations. We also witnessed a sharp decrease in emission intensity in terms of physical output during the reporting period.

As a result, our Emission Intensity in term of physical output has declined by 2.58% from 1.62 tCO₂e per rupee turnover (in ₹ lakh) in FY 2023-24 to 1.58 tCO₂e per rupee turnover (in ₹ lakh) in FY 2024-25. Emission intensity calculations for the organisation include only Scope 1 and Scope 2 emissions. We have ensured that all relevant emissions are accounted for in determining our emission intensity.

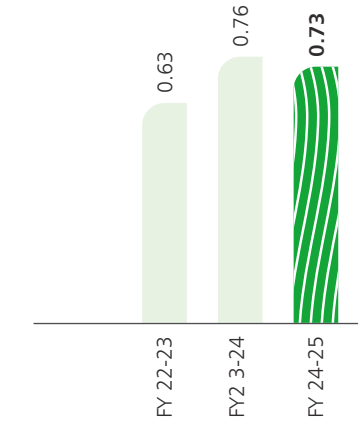
Scope 1 and 2 emission intensity in terms of physical output

(tCO₂e/MT production)



Scope 1 and 2 emission intensity per rupee turnover

(tCO₂e/₹ lakh)





Scope 3 emissions

Throughout the year, we conducted a comprehensive exercise to calculate our Scope 3 GHG emissions inventory. This detailed process supports our sustainability journey and efforts to reduce our carbon footprint. We evaluated all 15 categories outlined under Scope 3, according to the guidelines provided by the GHG Protocol. Notably, Category 14 – ‘Franchises’ was deemed irrelevant to our operations, as we do not have any franchise businesses, and has therefore been excluded from the inventory.

Key sources of Scope 3 emissions

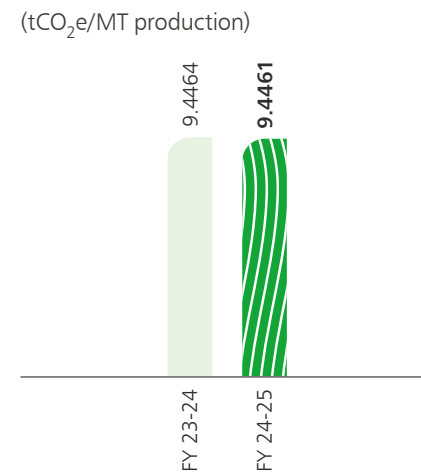
In FY 2024-25, BKT’s Scope 3 greenhouse gas (GHG) emissions totalled 4,537,502 tCO₂e. The largest contributor was Category 11 - Use of Sold Products, responsible for approximately 72.41% (3,285,830 tCO₂e) of the total emissions. These emissions result from the impact of sold tires, influencing fuel combustion and rolling resistance in vehicles and machinery.

Category 1 - Purchased Goods and Services was the second-largest contributor, making up 16.27% (7,38,290 tCO₂e) of Scope 3 emissions. The third largest contributor was Category 10 - Processing of Sold Products, which accounted for 4.55% (2,06,523 tCO₂e) of Scope 3 emissions. These emissions originate from customers’ use of Carbon Black as an intermediate product.

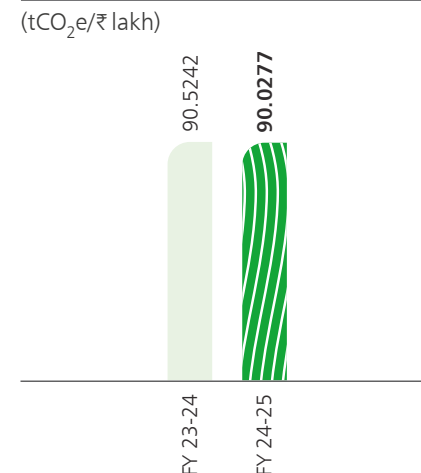
Additional notable sources of Scope 3 GHG emissions included Category 3 - Fuel and Energy Related Activities (not covered in Scope 1 and 2), which contributed 1.28% (58,072 tCO₂e), and Category 9 - Downstream Transportation and Distribution, accounting for 1.39% (63,042 tCO₂e).

In FY 2024-25, BKT achieved a notable decrease in Scope 3 intensity, reflecting a reduction in greenhouse gas emissions per unit of output. This accomplishment underscores our commitment to sustainable practices and enhances our efforts to minimise environmental impact through strategic initiatives and collaboration with stakeholders.

Total Scope 3 emission intensity in terms of physical output



Total Scope 3 emission intensity per rupee of turnover



Emissions calculation methodology

Our calculation methodology for Scope 1 and Scope 2 emissions are aligned with globally recognised protocols. Scope 1 covers direct emissions from fuel combustion and process activities at our manufacturing facilities. Scope 2 emissions are assessed using the

location-based approach, based on grid electricity consumption and corresponding emission factors from Central Electricity Authority (CEA) of India and IPCC guidelines. For Scope 3, our assessment captures indirect emissions across 14 upstream and downstream categories in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard.

We utilise secondary emission factors from credible databases such as Exiobase MRIO, DEFRA 2024, and CEA. The methodology involves identifying material categories, gathering relevant data, and applying activity-based estimation approaches—such as spend, distance, or weight-based methods—tailored to each category.

Emission reduction

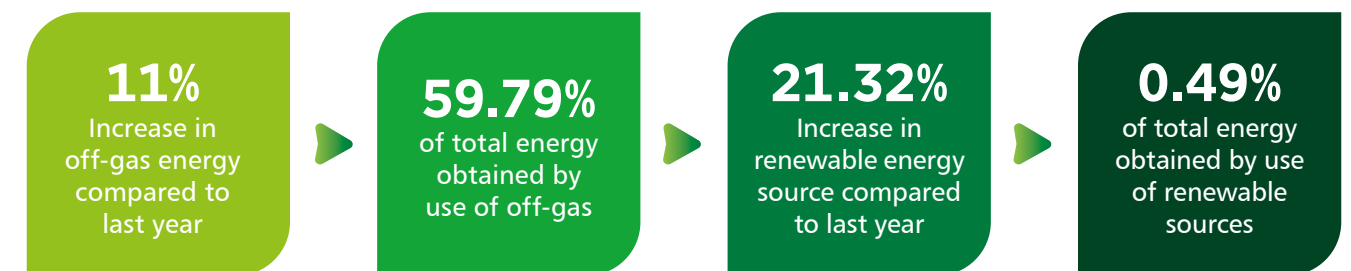
Our emission reduction strategy is deeply integrated into our overall approach to enhancing energy efficiency and sustainability across our operations. Utilising off-gases as a fuel source is a cornerstone of this strategy, significantly improving our energy efficiency by reducing dependency on coal-powered thermal energy. By substituting grid electricity with off-gas, we achieve a substantial decrease in our Scope 2 emissions, reflecting our commitment to lowering greenhouse gas output.

Throughout the reporting period, we have implemented a series of dedicated initiatives aimed at emissions reduction. A key component of this effort is our focus on reducing energy consumption, which plays a critical role in minimising emissions by curtailing the demand for energy derived from fossil fuels. By transitioning from diesel-dependent machinery to battery-operated forklifts and electric trucks, we minimise direct fossil fuel usage and consequently reduce associated emissions.

Further contributing to our energy-saving initiative, we have optimised air compressors and blower systems,

ensuring these components operate with maximum efficiency. This optimisation reduces electricity consumption and mitigates emissions linked with power generation. By replacing conventional and inefficient equipment with advanced, energy-saving technologies, we drive down both energy use and emissions, reinforcing our sustainability objectives.

Through these initiatives, we actively contribute to mitigating climate change impacts, positioning ourselves as leaders in responsible emission management and setting benchmarks in industry sustainability practices.



Note -

- Increase in use of off gas across operations has led to significant reduction of our non-renewable energy consumption through grid. Thus, for the reporting period the increase in off-gas use has directly resulted in a reduced requirement of non-renewable grid electricity.
- All applicable gases have been taken into consideration when reporting emission reduction across both Scope 1 and Scope 2 emissions cumulatively. To calculate avoided emissions resulting from the use of renewable energy we have considered emissions that would have been emitted through consumption of non-renewable grid electricity in absence of renewable energy sources of consumption.
- Emissions factors for various fuels have been taken from GHG protocol. Emission factor for grid electricity is taken from Central Electricity Authority of India. For the emission factor of Di-Acetylene and Propane, US EPA has been referred. Global Warming Potential of various GHG gases have been taken from IPCC AR6 WG-1. Calculations have been carried out as per the methodology provided by GHG Protocol.
- An operational control approach has been adopted for consolidation of emissions.

REFRIGERANT REPLACEMENT IN AC

At our Bhiwadi unit, we have taken proactive steps to reduce emissions from ozone-depleting substances by transitioning our air conditioning systems from R-22 refrigerant to the more sustainable R-32. R-32 is recognised for its lower global warming potential and minimal impact on the ozone layer compared to R-22, a hydrofluorocarbon known for its ozone-depleting characteristics.

This initiative is part of our broader strategy to enhance

sustainability across our operations and positively contributes to global climate change mitigation efforts. As part of these ongoing efforts, we have procured and installed 74 new inverter-duty air conditioners utilising R-32 refrigerant, underscoring our commitment to adopting cutting-edge technologies that support environmental preservation and energy efficiency. The transition has avoided 57 tCO₂ emissions and an ozone depletion potential (ODP) of 3.05.



SWITCH TO BATTERY-OPERATED FORKLIFT

Demonstrating our commitment to sustainability and emission reduction, we have transitioned our warehouse operations from diesel to battery-powered forklifts. This initiative significantly reduces our carbon footprint while enhancing operational efficiency and environmental performance within our logistics processes.

Over the past years, a total of 55 nos. of diesel forklifts has been converted into battery-operated

models. This transformation aligns with our commitment to reducing emissions, boosting environmental performance, and improving warehouse efficiency.

By adopting cleaner technologies, we have converted 46% of forklift operated in our operations with sustainability objectives which avoided emissions totalling 77.65 tCO₂e per year.



SWITCH TO EV TRUCK

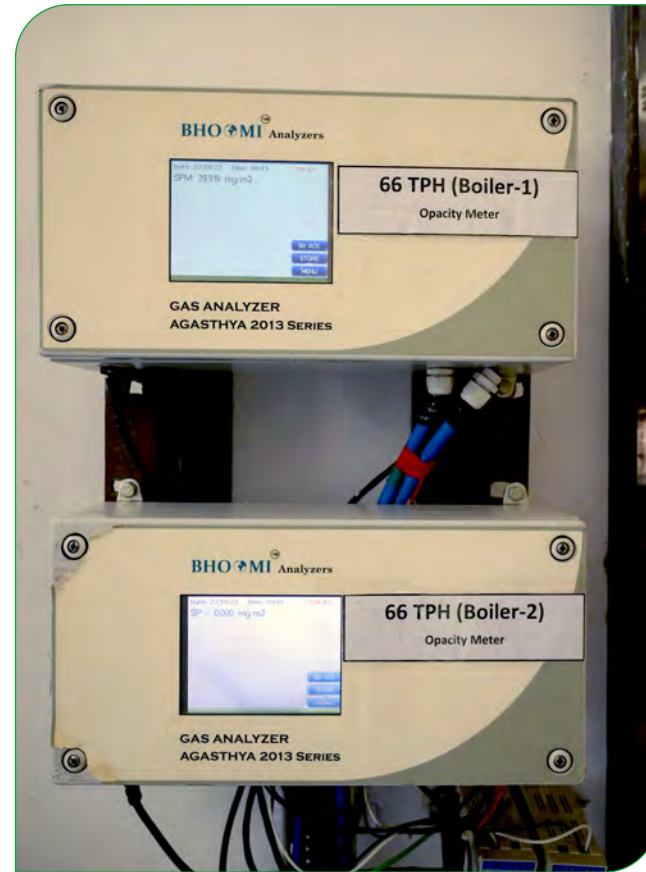
We have introduced an electric vehicle (EV) truck for the internal transportation of carbon black at our Bhuj unit. This eco-friendly innovation underscores our commitment to sustainability by reducing emissions and enhancing energy efficiency within our operations. The integration of EV technology into our logistics supports our environmental goals and sets a precedent for responsible practices in industrial transportation. By introducing EV truck 115 tCO₂e Emissions avoided per year.



BATTERY-OPERATED CARS/ CARTS

BKT utilises battery-operated cars and carts for internal transportation within the factory, providing a sustainable and zero-emission commuting option. These electric vehicles help eliminate the exhaust emissions typical of conventional fuel-powered engines, markedly reducing the overall environmental impact. By lowering greenhouse gas emissions and improving air quality, BKT supports its commitment to sustainability and operational efficiency.





Our approach to managing air emissions extends beyond mere regulatory compliance, emphasising proactive and comprehensive strategies to ensure our emissions remain well within prescribed limits. Central to this strategy is the deployment of Continuous Emissions Monitoring Systems (CEMS) at applicable units. These systems provide real-time data on emissions levels, enabling us to track and manage air quality with precision.

Complementing the capabilities of CEMS, we collaborate with NABL-approved agencies to conduct external air quality assessments. These assessments provide an additional layer of validation and assurance, confirming that our emissions are consistently maintained within the

required standards. By integrating advanced monitoring technologies with expert evaluations, we achieve a robust framework for managing air emissions effectively.

Our focus on air emissions management is driven by a commitment to environmental responsibility. Through these efforts, we aim to minimise the impact of our operations on ambient air quality, protecting both the environment and the health of surrounding communities. By continuously refining our monitoring and management practices, we not only uphold regulatory requirements but also demonstrate leadership in sustainable and responsible business conduct.

This multi-faceted approach to air emissions ensures that we proactively

identify opportunities for improvement and swiftly implement solutions that enhance air quality. In doing so, we reinforce our dedication to maintaining high environmental standards and contributing to broader sustainability objectives.

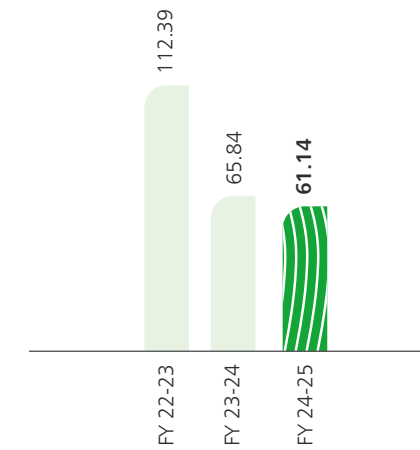
During the reporting period, we achieved a notable YoY decrease of 7% in Sulphur Oxide (SOx) emissions. This reduction reflects our ongoing commitment to improving air quality and minimising environmental impact. The decrease can be attributed to several key initiatives, including upgrading equipment to more efficient and cleaner technologies, optimising industrial processes to reduce emissions, and implementing stricter pollution control measures. By consistently monitoring

and managing our emissions, we continue to advance towards our sustainability goals and contribute positively to reducing air pollutants.

During the reporting period, we realised a 16% YoY decrease in particulate

SOx

(mg/Nm³)



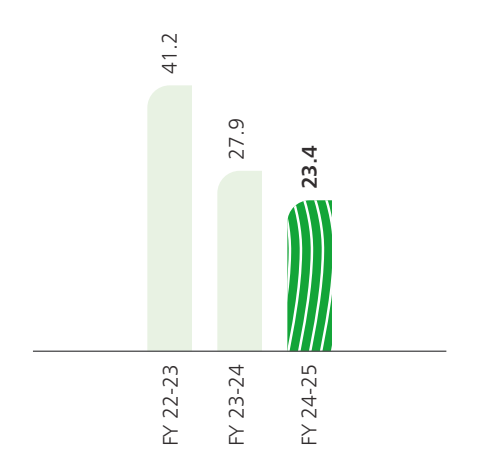
matter emissions, underscoring our dedication to environmental stewardship and air quality improvement. This achievement was driven by several targeted initiatives, including the upgrade to advanced filtration technologies and the incorporation of more sustainable production methods. We also enhanced our operational protocols and maintenance schedules to further minimise emissions. These concerted efforts reflect our proactive approach to sustainability and our commitment to significantly reducing our environmental impact.

By strictly adhering to environmental standards and implementing targeted emission reduction initiatives, we aim to minimise our environmental impact while fostering sustainable practices. Our efforts are informed by the latest

advancements in environmental science and are guided by a commitment to continuous improvement, ensuring that our operations align with global sustainability objectives.

Particulate Matter

(mg/Nm³)



Safeguarding our atmosphere from Ozone depleting substances

Preserving the ozone layer is vital for safeguarding life on Earth from harmful ultraviolet radiation. Although ozone-depleting substances (ODS) pose a significant challenge, implementing mindful initiatives can effectively mitigate their impact. Through proactive

measures, we have successfully reduced the amount of ODS within our operations, contributing to a healthier environment and atmosphere. A significant measure in this effort is replacing R-22 refrigerant with R-32. R-22, a hydrochlorofluorocarbon, contains chlorine which contributes to ozone layer depletion. In contrast, R-32 is a hydrofluorocarbon that contains no chlorine, eliminating its ozone-depleting

potential. Furthermore, R-32 has a lower Global Warming Potential (GWP) compared to R-22, making it a more environmentally friendly option. By adopting alternatives like R-32, BKT can significantly reduce their environmental impact, align with global regulations, and contribute to sustainable environmental stewardship.



Waste management and circular economy

At BKT, we are focused on sustainable waste management by employing methods to reduce, reuse, and recycle materials. We embrace circular economy principles to minimise our environmental footprint and transform waste into valuable resources.

We recognise that effective waste management is a crucial component in reducing our environmental impact and promoting sustainability. Our comprehensive strategy focuses on minimising waste generation at the source, significantly reducing the materials entering the waste stream. By adapting so, we reduce our environmental footprint and optimise resource usage.

Central to our approach is the enhancement of recycling efforts, ensuring that materials are consistently looped back into the production cycle. This commitment to recycling aligns with circular economy principles, where

waste is reimagined as a resource that can be continuously reused and repurposed, thus extending the lifecycle of materials and conserving natural resources.

In managing both hazardous and non-hazardous waste, we employ responsible handling practices that meet the highest standards of environmental safety. This includes strict adherence to regulatory guidelines and the implementation of innovative waste reduction techniques that prioritise safety and effectiveness. Our use of advanced technologies and processes ensures that waste is disposed of in a manner that

minimises environmental risks. Through stringent monitoring, we track waste management performance closely, identifying areas for improvement and ensuring compliance with best practices. By integrating these comprehensive strategies, we strive to set benchmarks in environmental stewardship, enhancing sustainability across all facets of our operations and supporting broader efforts to transition towards a circular economy.



A key factor of our approach involves adopting circular economy principles to maximise resource utilisation and minimise waste. By prioritising the reuse and recycling of materials, we convert waste into valuable resources that can be integrated into various aspects of our operations, thereby reducing the need for new raw materials and supporting a sustainable, resilient business model. Our circularity initiatives showcase our unwavering commitment to creating a system where waste is minimised, and resources are used efficiently.

Waste performance

This year, we achieved a significant reduction in the total waste generated, decreasing from 24,088.24 metric tonnes in the previous year to 20,494.11 metric tonnes. This represents a notable 14.92% decrease in waste on a YoY basis. Our focused efforts on waste management strategies, such as enhanced recycling practices and efficiency improvements, have contributed to this reduction. This achievement underscores our commitment to minimising environmental impact and enhancing sustainability in our operations.

We have been able to reduce our waste generated across certain key categories such as plastic owing to our continuous efforts towards resource and operational efficiency across our operations. Our plastic waste generated decreased by 16.26 % from 2,424.64 metric tonnes in FY 2023-24 to 2,023.32 metric tonnes in FY 2024-25. Moreover, our waste generation intensity per rupee turnover decreased

by 33.33% from 0.03 metric tonnes per rupee turnover (in lakh ₹) in FY 2023-24 to 0.02 metric tonnes per rupee turnover (in lakh ₹) in FY 2024-25. Our waste generation intensity per metric tonnes of physical output also decreased by 33.33% from 0.06 metric tonnes of waste per metric ton of production in FY 2023-24 to 0.04 metric tonnes of waste per metric tonnes of production in FY 2024-25.



Waste generation and management of related impacts

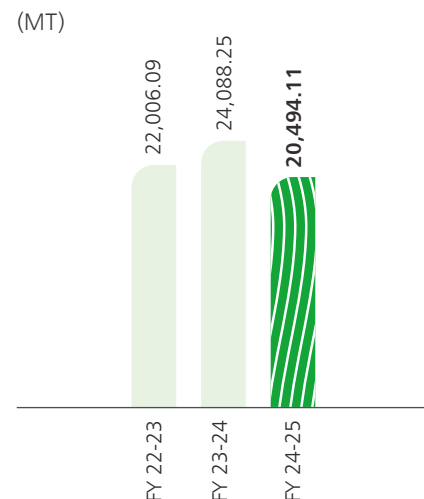
We recognise the importance of addressing the actual and potential impacts related to waste generation across our operations, which can be categorised into inputs, activities, and outputs. At the input stage, we manage raw materials, packaging materials, and chemicals essential to our production processes but pose challenges related to disposal costs, waste management complexities, and compliance with environmental and regulatory standards. These inputs require meticulous planning and management to ensure that waste generation is minimised from the outset.

During the production phase, our operations produce various types of waste, including scrap rubber, poly waste, effluent treatment plant (ETP) sludge, waste oil and oil-soaked materials. For each of these waste streams, we have implemented specific strategies aimed at reducing their volume and impact. Our approach emphasises waste prevention through operational efficiencies, such as optimising material usage and improving process designs to reduce the occurrence of waste. To enhance circularity, we focus on expanding the use of recyclable materials and exploring opportunities to reintroduce waste into the production cycle. This may involve partnerships with recycling facilities, advancements in technology

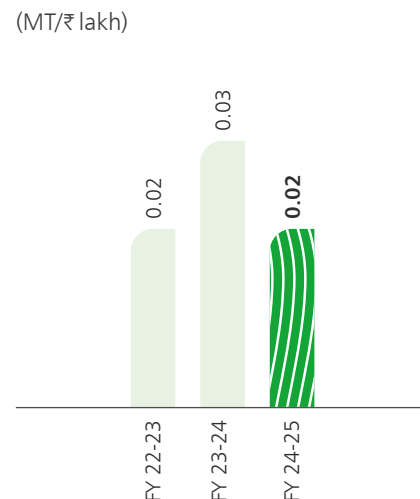
that allow for greater reuse, and the development of innovative methods to repurpose materials that would otherwise be discarded.

Additionally, our waste management strategy incorporates rigorous monitoring and reporting systems to track waste generation and disposal practices. By maintaining transparency and accountability, we can continually assess the effectiveness of our waste management efforts and identify areas for improvement. This holistic approach ensures that not only are we reducing waste generation at its source, but we are also managing waste-related impacts responsibly, reinforcing our commitment to sustainable operations and environmental protection.

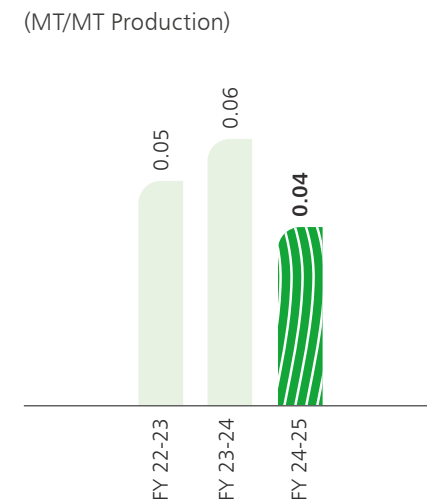
Total waste generated



Waste generation intensity per rupee turnover



Waste generation intensity per physical output



Circularity measures

Over the past years, a total of 55 diesel forklifts has been converted into battery-operated models. This transformation aligns with our commitment to reducing emissions, boosting environmental performance, and improving warehouse efficiency.



Authorised disposal

All waste, including hazardous waste, e-waste, and battery waste, is managed in line with regulatory requirements. We ensure that waste is disposed of by authorised recyclers or disposers by ensuring safe storage, handling and disposal practices.



Data management

We employ robust processes to collect and monitor waste-related data. All data is maintained in SAP, respective registers and analysed with the help of digital ESG data analytics tool ensuring accurate tracking and compliance. Regular audits are conducted to ensure continuous improvement and adherence to environmental regulations.

Waste management

We place a strong emphasis on meticulous waste management, ensuring that both hazardous and non-hazardous wastes are handled in strict adherence to all relevant laws and regulations. Our efforts are driven by a commitment to exceed industry standards and embody the principles of the circular economy, with the goal of achieving zero waste to landfill.

To accomplish this, we conduct comprehensive evaluations of all business processes to identify potential waste generation points. This proactive approach allows us to explore and adopt alternative resources, technologies, and processes that can mitigate or eliminate

waste at its source. By continuously reviewing and refining our waste management practices, we strive to enhance efficiency and sustainability. A critical component of our strategy is the segregation of waste to the highest possible standards before it departs from our premises. This involves categorising waste materials meticulously to ensure that they are managed appropriately, whether they are destined for recycling, disposal, or repurposing. This meticulous segregation not only facilitates compliance with regulations but also underlines our commitment to responsible waste management.

We are dedicated to ongoing assessments of our operations to identify opportunities to integrate

industry best practices in waste management. This involves staying informed about the latest advancements and innovations in the field and collaborating with experts and industry partners to implement solutions that enhance our waste management capabilities. By focusing on these key areas, we demonstrate our commitment to reducing our environmental impact and leading by example in the pursuit of sustainability. Our approach not only safeguards the environment but also reinforces our standing as a responsible and forward-thinking organisation dedicated to continuous improvement and environmental stewardship.



HAZARDOUS WASTE MANAGEMENT

We have developed a comprehensive Hazardous Waste Handling Procedure to ensure the effective management of hazardous waste. This waste is meticulously managed, stored, and disposed of in accordance with regulatory guidelines, utilising authorised handling and disposal agencies.



NON-HAZARDOUS WASTE MANAGEMENT

Our facilities include dedicated areas for both process and non-process scrap, with strategically placed segregated waste bins throughout the unit to ensure efficient waste separation and management. We collaborate with authorised vendors to ensure the proper disposal of specified non-hazardous waste, thereby reducing our environmental impact through minimised packaging and optimised transportation.



Extended Producer Responsibility (EPR) compliance

We are committed to environmental stewardship and regulatory compliance through active participation in India's Extended Producer Responsibility (EPR) framework. Our waste collection and management plan is fully aligned with prevailing EPR guidelines and has been formally submitted to the Central Pollution Control Board (CPCB). We are registered on the CPCB's official EPR credit exchange portal and ensure regular and transparent reporting of our plastic and tire waste footprint. In line with regulatory requirements, we have purchased



EPR credits, which is more than our EPR obligation till FY 2024-25 and submitted the necessary EPR credits to

demonstrate our ongoing compliance and contribution to sustainable waste management practices.

Circularity in operations

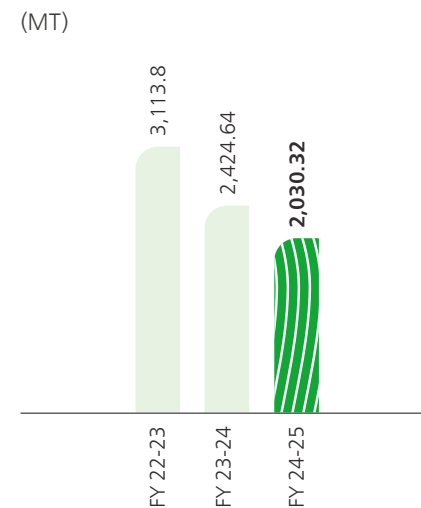
We strengthened our circularity initiatives by increasing the use of recycled plastic, reducing new polyethylene, and reusing existing polyethylene liners. Additionally, we salvaged usable steel from discarded moulds to produce machine parts in-house, furthering resource efficiency and sustainability.

In our commitment to circularity, we achieved a 16.26% reduction in plastic waste generation, alongside a 15.95% decrease in other waste categories this year compared to the previous year. Notably, we also realised a remarkable 93.94% reduction in e-waste, demonstrating our dedication to minimising environmental impact and enhancing resource recovery.

These efforts underline our strategic focus on sustainable practices that promote material reuse and recycling, reinforcing our circular economy objectives.

This year, we made significant strides in enhancing circularity within our operations, achieving notable reductions in plastic waste, e-waste, and process-related waste. Through our focused recycling and reuse initiatives, we successfully repurposed 20,119.68 metric tonnes of waste, representing 98.17% of the total waste generated. Only 1.83% of our waste, equating to 353.21 metric tonnes to incineration, illustrating our ongoing commitment to minimising waste disposal and maximising resource recovery.

Plastic waste generated

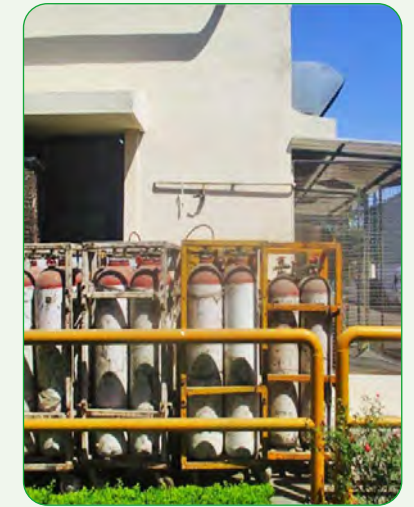


ORGANIC FOOD WASTE UTILISATION FOR BIOGAS GENERATION AND USE IN CANTEEN

At BKT Waluj, we are committed to sustainability through innovative practices, such as utilising organic canteen food waste for biogas generation in partnership with an external vendor. By embracing cleaner technologies, we transform waste into cleaner fuel, strengthening our commitment to sustainable and environmentally friendly operations.

This initiative reflects our dedication to reducing our ecological footprint and promoting a circular economy, enhancing energy efficiency while minimising waste.

Organic waste collected from the canteen is provided daily to our vendor, who converts it into biogas. We then purchase this biogas for use in our canteen food preparation processes, effectively replacing LPG and avoiding emissions totalling 4.26 tCO₂e.



WASTE REDUCTION BY IMPROVING BLADDER LIFE

To systematically monitor and improve bladder life utilized in process, we implement strategic actions at both the unit and supplier levels. Our initiatives focus on reducing bladder degradation through precise monitoring and effective corrective measures, optimising waste management practices, and implementing

robust waste reduction strategies. By addressing these areas, we enhance operational efficiency and sustainability across our operations.

Key actions include disconnecting vent lines, maintaining dissolved oxygen levels in cold water below 0.2%, promptly repairing

leakages, utilising a FIFO system to prevent overage, and revising bladder codes for high-stretch versions. These efforts have successfully increased bladder efficiency from 889 kg Tire/kg of Bladder to 953 kg Tire/kg of Bladder, demonstrating significant improvement.

WASTE REDUCTION - SCRAP STEEL

At the Chopanki Unit, we proactively enhance sustainability through innovative steel repurposing practices. Numerous steel curing moulds used in the tire manufacturing process, along with discarded machinery and production items, are salvaged and transformed into useful parts, such as tire tooling and machine components. This strategic approach allows us to reduce waste and minimise environmental impact while

achieving significant cost savings through in-house manufacturing.

By transforming discarded materials into valuable resources,

we promote effective resource utilisation, supporting both environmental sustainability and economic efficiency.

Discarded mould



Machine parts



Water stewardship

At BKT, we are deeply committed to water conservation, employing innovative technologies to significantly decrease our water usage. Our state-of-the-art wastewater treatment facilities allow us to effectively treat and recycle water, optimising resource use across our operations.



Water stewardship is a primary focus of our sustainability initiatives, as we recognise water as a vital component of our business operations. Our approach is comprehensive, emphasising conservation, quality management, and active community involvement to ensure the enduring availability of this essential resource.

We begin by conducting detailed risk assessments to identify challenges related to water use, assessing availability, quality, and potential impacts on local ecosystems. Conservation is key to our strategy, as we employ

cutting-edge technologies and process improvements to significantly reduce water consumption in manufacturing. By recycling and reusing water, we minimise wastewater and enhance efficiency, protecting freshwater sources.

Our commitment to quality management involves adhering to maintain standards for water treatment ensuring compliance with environmental regulations. This effort helps maintain ecological balance and minimises our operational footprint, supporting ecosystem health.

We partner with stakeholders on water replenishment projects and advocate for sustainable water practices. This includes rainwater augmentation and harvesting systems and training employees in water conservation techniques.

Through these integrated stewardship practices, we prioritise both operational and community water needs, reinforcing our position as a responsible corporate leader committed to sustainability and safeguarding natural resources for the future.

WATER SAVING THROUGH FLASH STEAM RECOVERY AT CHOPANKI UNIT

To enhance resource utilisation and minimise steam wastage, BKT successfully implemented a flash steam recovery system during the tire curing process. By introducing additional pneumatic valves and a deaerator head, the system was engineered to capture and condense steam up to 3 bar pressure. This innovative method leveraged flash steam to heat makeup water, raising its temperature by 30°C-35°C, and subsequently saving approximately 10 tonnes of steam daily. The project resulted in an annual conservation of around 3,500 KL of water, marking a significant advancement in sustainable water management.



UTILISING TREATED WASTEWATER TO CURTAIL FRESHWATER DEPENDENCY

To curtail the use of freshwater resources, BKT has adopted the innovative approach of incorporating third-party Sewage Treatment Plant (STP) water into its operational processes at various

locations. This strategic move contributes to the reduction of groundwater extraction, aiding in the conservation of this crucial natural resource. It was explored that excess STP treated water is available in nearby townships. By shifting to STP water, we effectively lower our dependency on fresh water and enhance

community engagement with sustainable water practices. This effort highlights our commitment to water stewardship, emphasising a conscientious and sustainable resource management strategy that resonates through our operations and enriches the broader community.



RAINWATER HARVESTING

We have implemented rainwater collection, utilisation and harvesting systems at our operating units. 9,371 KL of water collected and utilised during FY 2024-25 into operations. We have rainwater harvesting carried out both within and outside the unit premises.



Our relationship with water as a resource



Water interaction and impact

Our approach to water interaction and impact is designed to responsibly manage and optimise water use across all facets of our operations. By sourcing water from local municipal supplies, groundwater, and third-party wastewater, we ensure a diverse and robust water supply. Each of these water sources is subjected to rigorous treatment processes to facilitate their reuse, thereby minimising the extraction of fresh water and reducing overall consumption.

Innovative recycling methods are at the heart of our strategy, exemplified by the utilisation of treated sewage water for unit operations. This approach reduces reliance on potable water and emphasises sustainable practices. Furthermore, we replace traditional cooling towers with dry cooling systems, effectively minimising water loss and conserving resources essential for both operational needs and community health. Advanced reverse osmosis (RO) systems are integral to our operations, enhancing both water

quality and efficiency. These systems allow us to repurpose RO reject water for suitable applications, ensuring that nearly all water input is optimised for the highest use possible. Additionally, the treated water from sewage treatment plants (STPs) is used for gardening and operations, showcasing our commitment to recycling and reuse water beyond industrial applications.

Through these measures, we significantly mitigate our impact on local water resources, maintaining ecological balance and supporting community access to water. By fostering responsible interaction with water sources and implementing strategic reuse practices, we reinforce our dedication to environmental sustainability and stewardship.

Identification and assessment of water-related impacts

In our commitment to managing water-related impacts, we employ structured methodologies that prioritise the identification and assessment of these impacts throughout our operations. This begins

with a comprehensive evaluation of our water consumption patterns, enabling us to pinpoint areas of significant use and potential inefficiencies.

Our assessment process involves a detailed analysis of water inputs and outputs across all operational stages, from sourcing to maximise utilisation, we can effectively target opportunities to reduce freshwater usage and implement more sustainable practices. This understanding allows us to not only address high-consumption areas but also evaluate the broader ecological and community impacts of our water use. We also assess the quality of wastewater generated by our processes to ensure it meets regulatory standards before discharge or reuse.

Addressing water-related impacts

Our environmental management plans are robust, ensuring we address both ongoing and potential water-related challenges proactively, while maintaining full compliance with stringent environmental regulations. Among the key initiatives, rainwater

harvesting and collection plays a crucial role in boosting our capacity for water reuse, thereby reducing our dependency on external sources significantly.

To further enhance our water management practices, we have introduced innovative solutions such as replacing traditional water-based systems with electric heaters in our AHUs (Air Handling Units), thereby eliminating the need for water circulation altogether. Additionally, we have implemented systems to collect overflow water and cure trench water in dedicated tanks. This collected water is filtered and reused in our processes, maximising reuse and minimising waste. Moreover, treated water from society sewage treatment plant is utilised to meet our unit needs, demonstrating our commitment to using reclaimed water resources efficiently. As part of our ongoing efforts to manage water with

high Total Dissolved Solids (TDS), we have installed a Zero Liquid Discharge (ZLD) system, ensuring that waste is minimised, and utilisation of water resources are optimised.

Through these strategic initiatives, we enhance water reuse, optimise our processes, and solidify our commitment to sustainable water management, reducing both environmental impact and reliance on external water sources.

Water-related goals and targets

Our goals include systematically tracking water usage and initiating targeted measures to enhance water utilisation. We are committed to focus on optimisation of water usage in production processes and investing in advanced water recycling and conservation technologies. Our key goal include installation of Zero Liquid Discharge at all product manufacturing units by FY 2028.

Achieving ZLD at 100% of our units

Understanding the essential role of water as a shared resource, we have devised a robust strategy that emphasises water conservation, reuse, and recycling. Through the deployment of cutting-edge wastewater treatment technologies, we maintain Zero Discharge at all our manufacturing facilities, thereby preventing adverse impacts on local ecosystems. Our solution integrates advanced systems such as high-recovery Reverse Osmosis (RO) units, followed by multi-effect evaporation processes. The RO permeate is repurposed for process requirements, while the remaining concentrate is further treated utilised via evaporation. This initiative exemplifies our dedication to achieving ZLD, underscoring our commitment to sustainable practices and responsible environmental management.

Water performance

In line with our overall water performance, our water intensity per rupee of turnover decreased by 3.85% from 2.08 KL per rupee turnover (in ₹ lakhs) in FY 2023-24 to 2.0 KL per rupee turnover (in ₹ lakhs) in FY 2024-25. While our water intensity per metric tonne of production decreased by 2.03% from 4.44 KL per metric tonne of production in FY 2023-24 to 4.35 KL per metric tonne of production in FY 2024-25.

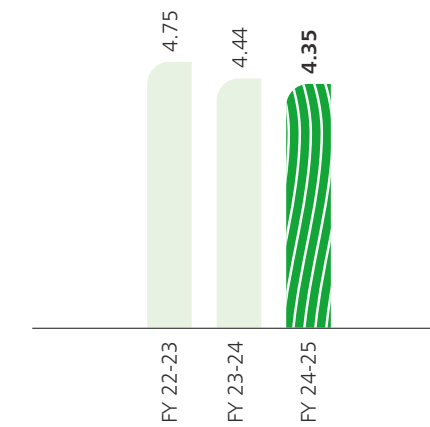
Across all our operational units, we maintain zero discharge to minimise environmental impact and safeguard community well-being. Wastewater generated at our corporate office, used

primarily for domestic applications, is managed in accordance with local guidelines and processed by the local municipality.

This reflects our steadfast commitment to maintaining community standards and upholding environmental responsibility.

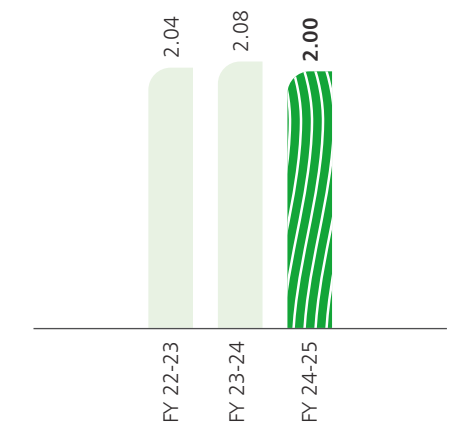
Water intensity in terms of physical output

(KL/MT Production)



Water intensity per rupee turnover

(KL/₹ lakh)



Water use

Water is an essential resource for our operations and supporting activities, particularly in the high-temperature process of tire curing where it serves a critical role in cooling systems. We are committed to managing water responsibly to minimise our environmental impact and support sustainable development. Treated water from our Effluent Treatment Plants (ETPs) is vital for our processes, allowing us to optimise resource use. Additionally, water from our Sewage Treatment plants (STPs) is repurposed to irrigate green spaces within our facilities, enhancing both the aesthetic and environmental quality of our surroundings. Our water withdrawal is carefully managed to align with production volumes and process efficiency, reflecting our dedication to sustainable and efficient water use.

During the reporting period, our operations primarily depended on third-party water supplies, mainly from municipal sources, which comprised 19,09,277 KL or 91.47% of our total water withdrawal. Groundwater accounted for 8.08% of our usage, while rainwater, utilisation through dedicated systems, represented 0.45%.

A significant number of our facilities are in regions identified as over-exploited and semi-critical by the Central Ground Water Board (CGWB). In these areas, we have successfully reduced our groundwater withdrawal by 0.52% compared to the previous year, demonstrating our proactive approach to sustainable water management and commitment to reducing overall water use.

10.60% YoY
Increase in third-party water withdrawal by source

11.39% YoY
Decrease in groundwater consumption

0.52% YoY
Reduction in water withdrawal from water-stressed units

Water management

At BKT, our dedication to sustainable water management is deeply integrated into every facet of our operations. As water remains a vital yet finite resource, we continuously innovate to optimise its use, demonstrating our industry-leading adherence to environmental best practices. In continuation of our efforts in the previous year, we continue to advance our water management strategies and practices, ensuring operational sustainability and resource conservation.

We are committed to treating and reusing water throughout our operations at all units, affirming our dedication to achieving zero wastewater discharge. The only exception to this practice is a small quantity of untreated wastewater from our corporate office, 2,439 KL, which is situated within a shared complex. This wastewater is effectively managed by local municipal authorities, ensuring adherence to both community and environmental standards.



REDUCTION IN FRESHWATER CONSUMPTION

At our Bhuj Unit, we have implemented a series of strategic initiatives to optimise resource efficiency and reduce freshwater consumption. By installing electric heaters in our Air Handling Units (AHUs), we have successfully eliminated the need for hot water circulation. This move not only enhances energy efficiency but also significantly reduces resource utilisation.

These efforts are part of our broader strategy to minimise water consumption and wastewater generation, thereby improving overall water efficiency across our operations. As a result, such freshwater consumption has decreased by 5 KL per day.

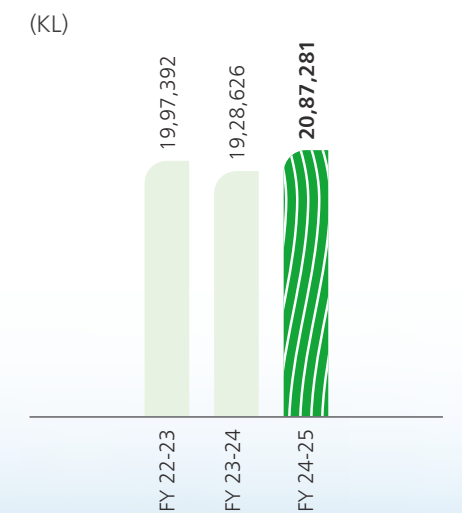


Advanced water use and recycling initiatives

We are committed to reducing our dependency on freshwater through innovative strategies that leverage treated wastewater and captured rainwater. Our facilities are equipped with Effluent Treatment Units (ETPs) designed to process industrial effluents, and Multi-Effect Evaporators (MEE) have been implemented at key operations, including our Bhuj and Waluj units, to achieve Zero Liquid Discharge (ZLD). These systems enable the reuse of treated water within our operations.

Moreover, our Sewage Treatment Plants (STPs) efficiently process domestic effluents, allowing treated water to be repurposed for horticultural applications, thereby eliminating liquid effluent discharge. By maintaining rigorous standards for our water distribution systems and employing sophisticated recycling processes, we repurpose water for essential functions such as cleaning, landscaping, and critical operations like cooling and boiler systems. Through these initiatives, we manage our water resources with exceptional care and responsibility.

Total withdrawal (KL)




Water consumption and efficiency


Total water consumption from all units is calculated by subtracting total water discharge from total water withdrawal. For water consumption in areas with water stress, all water withdrawn is consumed in our operations.

Water consumption by activities*


Industrial uses
Industrial activities, including safety showers, boiler operations, and cooling systems, utilising a mix of raw and RO treated STP water.



Domestic uses
Domestic needs such as drinking water and sanitation facilities primarily sourced from RO-treated water.



Gardening and landscaping
Gardening and flushing requirements, including maintaining green spaces are fulfilled with treated water from sewage treatment Plant (STP).



*As per the typical water consumption across our operations

Wastewater management and Zero Discharge practices

Water withdrawal across our operations primarily derives from groundwater and third-party sources. In line with our commitment to sustainability, we have augmented our rainwater harvesting capacity by developing reservoirs that are seamlessly integrated into our processes. Of the total water

withdrawn, a portion is integrated into our products, while the remainder is utilised for domestic, utility and gardening purposes. Our cutting-edge water treatment infrastructure, coupled with our unwavering dedication to water reuse and recycling, enables us to maintain Zero Liquid Discharge (ZLD).

We conducted a comprehensive water audit at our biggest operational unit Bhuj to assess and optimise water management practices. This initiative is part of our ongoing commitment to enhancing resource efficiency and supporting sustainable water use across our operations.

In FY 2024-25, a total consumption of 20,84,842 KL of water, with water discharge amounting to only 2,439 KL from corporate office in shared complex representing just 1.93% of our total water consumption. This demonstrates our efficiency and commitment to responsible water management.

ZERO LIQUID DISCHARGE



REDUCTION IN EFFLUENT GENERATION

At the Bhuj Unit, we identified an opportunity with our cooling tower, where high blowdown (HBD) water tank capacity was not sufficient during peak time to hold water for process use and it was sent to ETP without further reuse in process. To address this, we have implemented a system to collect all overflow water in tanks located in the DCC basement area. This initiative optimises water management, significantly

reduces waste, and promotes resource conservation.

Our targeted initiatives focus on reducing effluent generation and minimising water wastage. By utilising strategic measures and advanced technologies, we aim to conserve water resources and enhance the sustainability of our operations. As a result, we have achieved a reduction in effluent generation by 150 KL per day.

INSTALLATION OF MEE TO INCREASE TREATED WATER CONTRIBUTION

At the Bhuj Unit, we commissioned a Multi-Effect Evaporator (MEE) to optimise water consumption by recycling treated water. This initiative marks a significant advancement in our efforts to enhance water efficiency and support sustainable resource management.

By implementing targeted strategies, we aim to achieve measurable reductions in specific water consumption. This strategic action underscores our commitment to sustainable operations and resource efficiency.

Picture/sketch/drawing after modification



Biodiversity

At BKT, we contribute to the preservation and enhancement of biodiversity, promoting the health and resilience of ecosystems for future generations.

Biodiversity and ecosystem services are vital components in our pursuit of sustainable operations and play an integral role in our business decisions. To address the risks associated with biodiversity loss and create opportunities for sustainable operations, we have set clear objectives for biodiversity and ecosystem services within our manufacturing operations. As part of our commitment to sustainability, we are conducting a comprehensive study to map the interactions between our operations and the surrounding biodiversity. This initiative aims to identify key areas

where we can mitigate impacts and enhance our positive contributions to local ecosystems, ensuring that sustainability remains at the forefront of our operational strategy. Furthermore, we comply with legal requirements for green belt development and go beyond by taking additional measures to enhance local biodiversity. Our efforts include cultivating native plant species within our facilities, preserving existing forests and protecting wildlife habitats. This proactive approach ensures we contribute positively to the environment and support biodiversity conservation initiatives. Through these

integrated efforts, we aim to reinforce our commitment to protecting and nurturing the ecosystems that underpin our operations and benefit the broader community. Our dedication is focused on making a positive impact both locally and globally, fostering sustainable practices that support the well-being of people and the environment. Through these comprehensive efforts, we endeavour to nurture ecosystems and build a sustainable future for generations to come.

Enhancing biodiversity within our units

At BKT, prioritising biodiversity conservation in and around our operational areas has been a longstanding commitment. We spearhead this approach by first conducting thorough baseline studies to understand the ecological landscape. Based on these insights, we develop comprehensive action plans, which are then executed through carefully phased interventions. These efforts are designed to align with our action plans and ensure the effective conservation and enhancement of local biodiversity.

During the reporting period, we significantly expanded our green cover, now spanning 6,00,231 m². As part of our green belt initiative across various locations, we have cultivated a rich diversity of tree species. Our planting efforts include a blend of fruit-bearing, shade and ornamental varieties such as Neem, Peepal, Mango, Coconut, Jamun, Shisham, Gulmohar, Mulberry, Guava, Bakul, Mahogany, Chiku, Tamarind, Lemon and more. This diversity supports local ecosystems and contributes to environmental sustainability.

We have also incorporated a diverse range of medicinal and aromatic plants, including Sonajhuri, Saptaparni, Kadi Patta, Papdi, Neem, Vasaka, Ram Tulsi, Peepal and Ashoka, among others. These plants play a vital role in promoting environmental sustainability and enhancing the ecological equilibrium around our facilities.

In keeping with our commitment to corporate social responsibility, we actively partner with NGOs, other industries and environmental

Green Belt Coverage	Boundry
35,701	Total trees planted within the boundary in FY 2024-25
22,321	Total trees planted and maintained outside the boundary in FY 2024-25
1,31,375	Total trees planted within the boundary to date
6,00,231 m²	Total green cover within the boundary to date



organisations to expand our plantation efforts beyond our immediate units, thus enhancing regional biodiversity. A standout initiative is our participation in the Wildlife Conservation Plan, developed in guidance of the State Forest Department at Nadapa Village. This plan includes a detailed budget for various restoration activities, aimed at creating sustainable ecosystems and supporting local wildlife. As part of our CSR activities, we have planted and are maintaining approximately 22,321 trees outside our operational boundaries.

Our initiatives are dedicated to revitalising natural habitats and establishing robust carbon sinks, which play a crucial role in improving air quality, moderating temperatures and enhancing the surroundings of our facilities. Through our focused biodiversity projects, we strive to capture carbon dioxide effectively, thereby contributing to climate change mitigation and reinforcing both global and local environmental objectives.

The success of these restoration initiatives is confirmed by independent external professionals who regularly monitor unit growth and health. Our focus on biodiversity conservation is further bolstered through partnerships with environmental NGOs and local community groups, helping to protect and restore habitat areas beyond our immediate operations. Assessments of each area have shown significant growth and stabilisation, with high survival rates and overall improvements in local ecosystems.

Whenever possible, we adhere to national and international standards for biodiversity conservation and habitat restoration, incorporating the best global practices and guidelines for

local environmental regulations. Our methodologies include using native and non-invasive species for planting, regular monitoring and maintenance and implementing water-efficient irrigation systems. By expanding our green initiatives and collaborating on significant environmental projects, we uphold our responsibility towards ecological conservation and actively contribute to shaping a sustainable future.

We are also honoured to contribute to the Smriti Van Earthquake Memorial and Museum Project, a natural ecosystem park created to honour the victims of the 2001 earthquake. Our work at this unit includes developing a Miyawaki forest, further demonstrating our commitment to environmental stewardship and sustainable development.



Biodiversity Risk Assessment

BKT has conducted a comprehensive biodiversity risk assessment and developed a conservation plan for its Bhuj plant. The plan is based on a detailed ecological field survey and literature review and identifies and outlines conservation strategies for Schedule-I species such as the Asiatic Wildcat, Indian Python, Indian Peafowl, and Bengal Monitor Lizard within a 10 km buffer zone. It includes detailed species profiles, habitat assessments, and threats. The plan proposes phased conservation activities, including habitat restoration, plantation, fencing, monitoring, and community awareness. With a total budget of ₹120.80 lakh, the plan aligns with environmental compliance and supports long-term biodiversity protection through targeted, site-specific interventions.

Upholding ecosystem integrity and biodiversity across our supply chain

We acknowledge that our operations encompassing the construction and usage of manufacturing units and transport infrastructure can significantly impact biodiversity. These impacts include habitat conversion, pollution, the introduction of invasive species and alterations to ecological processes like groundwater levels. We address these challenges through various initiatives and sustainable practices detailed in our sustainability report.

Our commitment to biodiversity extends beyond our immediate operations to encompass our entire supply chain, especially in sourcing raw materials like rubber. Our Environmental, Health and Safety (EHS) policy includes provisions for biodiversity consideration, demonstrating our focus on preserving natural habitats and promoting environmental sustainability.

We strive to align our rubber procurement processes with

international standards, such as the Global Platform for Sustainable Natural Rubber (GPSNR) guidelines, which focus on enhancing the socio economic and environmental performance of the natural rubber value chain. We have developed Sustainable Natural Rubber Procurement Policy and related supply chain to ensure our materials are sourced responsibly and sustainably, thereby minimising the impact of our operations on biodiversity. This approach aligns with international guidelines and frameworks to mitigate environmental risks. Additionally, we are aligning with the National Rubber Policy to promote sustainable practices within the rubber industry and preparing for future regulations in the regions where we operate.

To boost supply chain resilience, we have established comprehensive procedures within the BKT Supplier Manual, advocating for sustainable sourcing and strong partnerships. Regular supplier audits assess Environmental, Social, and Governance (ESG) criteria, health and safety

standards, legal compliance, and human rights practices. These audits are instrumental in identifying improvement opportunities and fostering collaboration with our value chain partners. We actively pursue biodiversity conservation through initiatives like eco-restoration projects to rehabilitate natural habitats around our unit premises and extensive tree-planting campaigns to support local ecosystems. Collaborations with environmental organisations further enhance our biodiversity conservation strategies.

Our biodiversity initiatives are monitored and reported by the Global Reporting Initiative (GRI) Standards and other relevant frameworks, ensuring transparency and accountability. By continuously enhancing our sustainability practices and incorporating biodiversity considerations into our business operations, we contribute to a healthier planet and a resilient supply chain, advancing global sustainability goals and fostering a sustainable future.



BKT's commitment to sustainable natural rubber through GPSNR membership

BKT is a proud member of the Global Platform for Sustainable Natural Rubber (GPSNR), a multi-stakeholder initiative promoting sustainability across the natural rubber value chain.

GPSNR addresses key challenges such as deforestation, biodiversity loss, and human and labour rights violations, aiming to foster equity and responsible practices globally.

Upon joining, members commit to the 12 Principles of Sustainable Natural Rubber and are expected to demonstrate ongoing dedication through active participation, transparent reporting, and adherence to sustainability standards with an underlying **Natural Rubber Procurement Policy**.

Membership offers strategic benefits including:

- Access to sustainability resources
- Influence on global standards
- Networking opportunities
- Risk mitigation
- Market access

GPSNR's Policy Components are tailored to different supply chain roles and aligned with international frameworks such as the UN Global Compact, UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights and ILO Fundamental Conventions.

Fostering a collective impact

Linking with UN SDGs



Message from the Chief Human Resources Officer	160
Employee engagement, training and well-being	161
Embracing growth - Talent and skill development	164
Human rights and workforce stewardship	177
Embracing a diverse workforce	179
Safeguarding occupational health and safety	182
Product design and lifecycle management	188
Product quality and safety	190

WORKFORCE

No of employees and workers



FY 2023-2024

11,140

FY 2024-2025

12,128

TRAINING

Training Hours



FY 2023-2024

3,53,863

FY 2024-2025

5,08,743

DIVERSITY

No. of women at all management position



FY 2023-2024

40

FY 2024-2025

46

FATALITIES

Nos.



FY 2023-2024

0

FY 2024-2025

0

CORPORATE SOCIAL RESPONSIBILITY

INR Crores



FY 2023-2024

31.33

FY 2024-2025

32.94

Our focus areas



Workforce



Training and Skill Development



Human Rights and Health and Safety



Embracing a diverse workforce



Product design and lifecycle management



Product quality and safety

Key performance

Focus areas	Performance FY 2024-25	Targets and Commitment
<p>Workforce</p>	<p>2,834 Permanent Male Employees</p> <p>46 Permanent Women Employees</p> <p>12,128 Total Workforce including contractual employees and workers</p>	<p>50% Increase in the share of women employees by FY 2030 (Baseline FY 2024)</p>
<p>Training and skill development</p>	<p>15.59 Average training hours per employee</p> <p>50.48 Average training hours per worker</p>	<p>5% Increase in average training hours per employee and worker by FY 2027 (Baseline FY 2025)</p>
<p>Human rights and health and safety</p>	<p>No cases of Human Rights violations in FY 2024-25</p> <p>Zero Fatality</p>	<p>100% Evaluation of critical suppliers by FY 2030 (Baseline FY 2025)</p> <p>100% Product manufacturing units ISO 45001 certified</p>



Message from the Chief Human Resource Officer



Reaffirming our commitment as we begin FY 2025-26

As we commence FY 2025-26, I would like to reaffirm our collective commitment to the principles that continue to define BKT: integrity in every action, respect for every individual, and professionalism in every endeavour.

Our Employee Code of Conduct remains the guiding compass for our daily interactions, fostering a culture where open dialogue, transparency, and mutual trust thrive across every level of the organisation. Anchoring this culture is our Grievance Redressal Portal, a secure and trusted channel through which every voice is heard, and every concern is addressed with fairness and dignity. In the coming months, we will further strengthen this framework through the digitalisation of our Labour Management System, reinforcing our commitment to human rights-centric and responsible business practices.

Building a future-ready workforce

Developing a resilient, future-ready workforce is central to our long-term strategy. Over the past year, we have made significant strides in advancing learning and capability-building by

integrating UpGrad and Coursera into our enterprise learning ecosystem. These platforms now provide all employees and workers with access to world-class content, complementing our robust suite of technical and on-the-job training. Our approach prioritises aspirational learning and real capability development, not just the fulfilment of training hours.

Values-driven hiring

We have also refined our approach to talent acquisition by embedding psychometric assessments into our hiring process. This enables us to evaluate both technical competence and cultural alignment, ensuring that every new team member joins BKT equipped not only to perform but to embody our core values from day one.

Strengthening governance and ethics

Last year, we completed a comprehensive review and refresh of eight key policies with respect to HR processes, ensuring they reflect the evolving needs of our people and business. All new joiners now undergo intensive onboarding that embeds these policies into their experience, while all existing employees are required to re-acknowledge them annually, a shared reaffirmation of our collective accountability for ethical conduct.

Health, safety, and well-being

The health, safety and well-being of our people remain paramount. Beyond medical and accidental insurance, we have:

- Extended pan-India hospital network coverage
- Introduced a nationwide, no-cost ambulance service

- Conducted annual preventive health check-ups
- Rolled out ergonomic enhancements and wellness campaigns

These initiatives reflect our commitment to a truly holistic employee experience.

Equally, the safety and well-being of our workforce remain paramount. We are determined to sustain a record of zero fatalities and uphold a zero-incident workplace, while increasing and ensuring 100% training coverage on hazard identification and safety risk assessment. By embedding a culture of safety and vigilance, we continue to create an environment where every employee feels secure and empowered.

Looking ahead: innovation through collaboration

As we look to the future, we plan to expand academic collaborations in rubber technology and related disciplines.

These partnerships will empower our teams with cutting-edge insights, translating directly into innovation on the shop floor and in the marketplace. They will also play a pivotal role as we explore sustainable materials, advanced manufacturing techniques and next-generation business practices.

Let us move into this new fiscal year with renewed focus, unwavering integrity, and a deep sense of purpose. Together, we will continue to build a BKT that leads not only in business, but also in values.

Sudhir Mishra

Chief Human Resource Officer

Employee engagement, training and well-being

At BKT, we are committed to creating a culture of continuous learning that ensures our people and teams are future-ready. We seek to create a learning environment for our employees and workers by utilising a structured training approach to ensure their individual development.

Employee engagement

The workforce aligned with organisational goals contributes to productivity, innovation, and loyalty, strengthening overall growth, success, and sustainability. At BKT, we cultivate strong employee relations and culture through an agile working model and innovative policies centred on trust and outcomes, offering industry-leading benefits for employees and their families. By nurturing a diverse and inclusive workforce, we prioritise health, safety and well-being, and implement comprehensive welfare practices, thereby enhancing employee engagement and satisfaction. BKT's dedication to engagement and well-being is central to our strategy, ensuring a motivated, dedicated workforce that propels sustainable growth and success for the Company. Activities like birthday celebrations and sports events foster close ties among employees and their families.

ESG WEEK CELEBRATION

November 7-13, 2024

The week-long event began with a blood donation camp honouring the birthday of CMD Shri Arvind Poddarji, inaugurated by Unit Head. Throughout the week, engaging activities such as poster competitions, ESG idea and slogan contests, and awareness quizzes were organised for employees and their families. A total of 1,025 employees participated in the celebration. A gallery was established within the unit to showcase the creative posters and slogans, reinforcing the impact and importance of ESG initiatives.



SPORTS CELEBRATIONS

Employees from various departments take part in competitive matches during the much-anticipated offsite event at the Annual Sports Festival. The Mahabirprasad Poddar League (MPPL) Cricket Tournament, an interdepartmental event, holds a special significance at BKT, showcasing team spirit and camaraderie amongst employees while fostering a unified work environment. Through this annual sporting occasion, along with activities such as chess, volleyball, badminton and others, BKT reaffirms its dedication to employee engagement and well-being.



QUALITY MONTH CELEBRATIONS

November 2024

Emphasising the theme 'Performance to Excellence', the units at BKT were adorned with thematic posters, spreading awareness and inspiring a culture of quality among employees. Sessions such as Market Voice & Customer Feedback and Defect vs. Effect & Critical to Quality (CTQ) were conducted to deepen understanding and strategic thinking regarding quality improvement. The Quality Month boosted employee engagement through interactive and educational activities, achieving excellence and aligning their efforts with organisational goals.



SAFETY MONTH CELEBRATIONS

March 2025

This exhibition of safety equipment provided employees with hands-on learning and insights into advanced safety tools, showcasing a proactive approach to workplace safety. Mock drills were conducted to prepare employees for emergency scenarios, reinforcing safety protocols and ensuring readiness. In addition to practical exercises, safety awareness training sessions were held across different sections on the floor, further educating the workforce on critical safety measures and encouraging a culture of vigilance.



FESTIVALS, NATIONAL DAYS AND OTHER CELEBRATIONS

Employees enjoy and participate in celebrations of festivals like Chopda Pujan, Haldi Kumkum, Holi, Ganesh Chaturthi, Dussehra, Diwali, and Christmas, along with Republic Day and Annual Days and other activities such as Ladies Meet, Yoga Day, Drawing Competition, fostering a lively and inclusive workplace culture.



Embracing growth – Talent and skill development

At BKT, we prioritise the growth and welfare of our people, providing every individual with the knowledge and training to flourish in their roles regardless of their position within the organisation. We align our workforce with our mission and vision by acquiring, nurturing, and harmonising talent to meet our business ambitions.

Our advanced learning platform is continuously refreshed to offer a vast array of educational opportunities for our employees, keeping them up to date on pivotal business insights, product details, system functionalities, and industry standards. Through digitised instruction crafted by our training specialists, team members interact with tailored e-modules and practical simulation environments, bridging the gap between theoretical knowledge and real-world application. This initiative forms a crucial part of our comprehensive professional development strategy, closely tied to the Company's objectives for digital evolution.



“At BKT, to sustain and succeed, it is no longer just about managing operations – it is about driving transformation. Advance tread designs to meet changing consumer and regulatory expectations. I have been encouraged to think about smart manufacturing and digitalisation.”

Vinay Panday, Technology

ONE LEARNING PLATFORM

We continue to use the **One Learning platform**, fostering a culture of continuous learning within our organisation. By utilising this platform, we aim to further enhance our workforce's competitive edge and promote ongoing professional development with the flexibility to learn at their convenience. Our educational offerings are a blend of face-to-face lessons, virtual classrooms, and online self-paced modules, crafted with precision to meet distinct learning targets.

As part of our specialised programmes, selected employees from the technology function are offered the opportunity to pursue dual certification in Rubber Science and Technology. These programmes, offered in collaboration with the Indian Rubber Institute, include both Diploma and Post Graduate Diploma courses designed to support career advancement and deepen industry knowledge.

For our workforce, on-the-job training is emphasised at our factory locations, ensuring our staff and trainees acquire critical insights into products, processes, and systems, fostering a reservoir of adept employees to sustain unit operations. We prioritise training focused on health and safety, essential fire drills, first-aid practices, IT security awareness, and safety initiatives, specifically designed for our tire, carbon, and power plant.

Furthermore, we provide tailored Supervisory Development programmes, aimed at elevating the managerial skills of first-line supervisors. This thorough training approach, adapted for both unit functions and corporate headquarters, provides a platform for professional development aligned with the core values of BKT.

The following training programmes were carried out to enhance employee development

Technical skill building

We consistently provide technical and functional training in areas such as safety awareness, fire drills, first-aid and occupational health and safety, specifically tailored for operations at our tire, carbon and power plant.

Behavioural and soft skills training

Employees benefit from workshops on time management and a positive attitude, fostering a well-rounded behavioural skill set.

Sustainability awareness

We prioritise training in sustainability awareness and ethical compliance, focusing on ABAC policies, whistle-blower protections, the Code of Conduct, EHS, human rights and sexual harassment prevention, conducted at both units and the head office.

Leadership growth

We emphasise empowering employees through training in self-help and interpersonal development, with sessions on communication, personality development, team building, self-motivation and positive mindset.



I am extremely proud and happy that I took the decision to apply for the job at BKT during my MBA placements when not much people knew about the Company way back in 2003.

Today, BKT has grown into a strong global brand and has given me the platform to hone my skills, build a team and contribute to the success story.

The Company culture, the processes and policies are employee-friendly and long-term based. With the top management's focus on steering the Company to the next level of growth, I am excited to be part of this incredible journey!".

Ajay Garud

GM, Export Marketing



I wanted to express my appreciation for the opportunity to work at BKT. I have been enjoying my time here and wanted to share about my 13 years of experience with the Company. I particularly appreciate the collaborative work environment, supportive leadership and opportunities for growth. The Company's commitment to work culture has been noteworthy, and I feel that it contributes significantly to a positive and productive workplace.

Overall, I am happy to be part of the team and look forward to continuing to contribute to the Company's success".

Mahesh Chede

DGM, Production



I have been with BKT for 4 years now, I have experienced remarkable professional growth. A highlight has been the privilege of engaging with insightful individuals from various corners of India, which has broadened my understanding and skill set. I deeply admire the Company's culture, which is built on trust and

encouragement. The consistent support from higher management has not only allowed me to meet expectations but to consistently exceed them".

Ghanshyam Yadav

DGM - Engineering



After dedicating 25 years to public service in a senior government position, making the leap to the private sector wasn't a simple decision—it came with hesitation, reflection, and a leap of faith. But 17 years into my journey with BKT, I can say with conviction, it was one of the best decisions I've ever made.

Every day here feels like a new chapter. The learning never stops. The freedom to explore ideas and the

encouragement from leadership have been unmatched. But what truly stands out is the culture — where colleagues are treated like family, and the workplace feels like home"

Ashok Jain

Sr VP, Legal and Compliance

Management development programme

In addition to the Supervisory Development Programmes aimed at enhancing the managerial skills of first-line supervisors, Management Development Programmes (MDPs) are geared towards refining managerial skills and preparing them for future leadership roles.

A two-day MDP titled 'Wisdom in Action' was conducted at our Waluj Unit specifically for the leadership team. A total of 31 employees

at the AGM level and above participated in this programme. The programme emphasised key areas such as problem-solving skills, self-management and ownership, effective delegation, planning and prioritisation and establishing sustainable habits for long-term health and productivity. The sessions were a mix of role plays, real-time examples from the shop floor, trainer-guided discussions, and team-building activities.



Executive mastery leadership programme

At BKT, the Executive Mastery Leadership Programme held at our corporate headquarters aimed to enhance the leadership capabilities of both senior and middle management through targeted coaching. By fostering quick decision-making abilities and nurturing potential leaders, the programme served

as a vital component for our employees by ensuring that employees across all levels are well-equipped with the necessary skills and knowledge to excel in their current roles while preparing them to adeptly handle future leadership responsibilities and challenges.

ENVIRONMENTAL AWARENESS PROGRAMME

A two-hour session at Pathshala in Bhiwadi was aimed to equip staff with essential insights into identifying and evaluating environmental impacts in line with ISO 14001 standards. A total of 28 participants attended the

session. This session as an example focuses on our proactive approach towards embedding environmental considerations into the training modules to enhance the technical, behavioural and soft skills of all workforces.



Performance management system

At BKT, our compensation policy is designed with a long-term view, supporting each employee’s professional development in alignment with professional experience, industry growth, company goals and performance, responsibility, job profile and complexity and market conditions. We ensure our compensation adapts to changing market conditions and local standards by setting competitive rates and making regular adjustments to balance employee satisfaction with financial performance.

ongoing communication between managers and employees and enabling agile adjustments to performance. Every employee received detailed feedback on their performance this year, encouraging thorough evaluation and fostering individual development. The system also includes performance monitoring to support the creation of Performance Improvement Plans, thereby increasing organisational productivity. Leaders are encouraged to mentor and support their teams, nurturing a culture of empowerment. Moreover, new hires benefit from our refined Digital Onboarding Process, which simplifies the submission of personal and employment information for a smooth transition into the organisation. Looking ahead to FY 2025-26, we plan to implement Darwin-Box across the organisation to further elevate system capabilities.

Our HR analytics platform streamlines key processes such as recruitment, attendance, leave management, payroll, employee movement, and engagement. It enhances talent management, delivers robust people analytics, and efficiently supports HR operations. This system empowers employees by simplifying HR tasks and facilitating smoother interactions.

Campus hiring

Our ‘Campus to Corporate’ initiative aims to infuse our organisation with fresh talent and diverse perspectives annually. In collaboration with prominent educational institutions, we recruit top candidates across various disciplines, including Graduate and Diploma Engineers, M.Sc. and B.Sc. graduates, Rubber Technologists, and MBAs specialising in technical

operations, marketing, human resources, IT, and finance. We actively seek BTech Engineers and Polytechnic Diploma holders to cultivate a skilled and diverse workforce. This programme not only ensures a continuous flow of innovative thinking but also underscores our dedication to nurturing a dynamic and forward-looking team.



BKT conducted a successful campus recruitment drive in FY 2024-25, hiring skilled graduates in mechanical, electrical, chemical, and instrumentation fields from prestigious colleges like CMP Science College, GLA University, and MIT College, enhancing our operational capabilities.



GLA University



Marwadi University



IERT College



GEC Ujjain

Retaining our talent

At BKT, we recognise that effective employee retention strategies are vital for both productivity and long-term success. Our workforce being the most valuable asset, we focus on providing comprehensive training programmes that foster skill development and career progression and holistic well-being to empower our employees and enhance employee retention. Additionally, employees benefit from skill-upgradation programmes, ensuring they remain equipped with the latest knowledge and skills, supporting their professional development both within and beyond our organisation.

programme to support employees navigating career changes due to retirement or termination, providing a four-week period to ensure smooth transitions during significant operational shifts. Our structured retirement policy reinforces this commitment, ensuring a seamless transition while maintaining strong ties with our valued team members. Retiring employees may also be retained as advisors or have their fixed-term contracts extended based on business needs. Our commitment to career continuity is further demonstrated by extending the retirement age from 60 to 62 years, allowing us to retain experienced talent and leverage their expertise.

In FY 2024-25, we implemented a specialised transition assistance



“I have been with BKT for 18 years now, and I can honestly say it has been an incredible journey. The leadership team is supportive, the work is challenging yet rewarding, and the culture fosters growth and innovation. I would highly recommend BKT to anyone looking for a dynamic and fulfilling career.”

Mangilal Modani
Legal and Compliance

Mentoring and counselling

At BKT, to facilitate effective integration of our employees and workers with the mission and vision of BKT, we assign mentors to new hires to guide their transition into our Company. These mentors provide essential support, aiding new employees in adapting to their roles and immediately contributing to the team. Through these regular mentoring sessions, mentors offer valuable insights and help harness the enthusiasm of new team members. Additionally, lateral hires are given dedicated assistance until they are fully acclimated to their duties. This robust approach to onboarding and mentorship showcases our dedication to nurturing a supportive workplace where employees can thrive and make impactful contributions right from the outset.



“The collaborative spirit at Balkrishna Industries Ltd is unmatched. Working across teams for the last 19 years, learning from diverse skill sets, and moving towards common goals has been a fantastic experience. The top leadership team set clear expectations, provide valuable feedback, and always have time for their employees. It truly feels like a united community, not just a workplace.”

Nizamuddin Sarkar
Sr GM, Operations

Employee health and well-being

In FY 2024-25, we remain committed to fostering a healthy, secure and innovative work environment that prioritises the well-being of our employees. By nurturing a culture that values wellness, we empower our workforce to achieve excellence and drive both individual and organisational progress. Our journey begins with a comprehensive medical check-up during the onboarding process, ensuring that new hires start their careers in a supportive and health-conscious setting. Our facilities are equipped accessible medical centres, and through a proactive approach BKT ensures integrity, compassion, and dedication to the well-being of our workforce is reflected through various programmes that are designed to instil healthy behaviour in our employees, both on and off the job.



“BKT stands out for its collaborative work environment where team members are always willing to support each other, creating a positive and encouraging atmosphere where everyone thrives. I am proud to be part of an organisation that values innovation and strives for excellence, being able to contribute to BKT’s vision or Leadership in the Off-Highway Tire Market is incredible fulfilling.”

Prashant Lamba
DGM, HR

Salient features of BKT’s health and well-being initiatives

Health surveys and check-ups

Routine health assessments and detailed medical examinations are conducted to oversee employee well-being.

Occupational health centres

Each manufacturing unit features Occupational health centres with skilled medical professionals ready to address emergencies.

Emergency response

ICU ambulances equipped with advanced medical technology ensure immediate response capability.

Hospital partnerships

Collaborations with top hospitals guarantee essential care for employees and their families.

Counselling services

Regular sessions at units and offices help employees manage work-life balance and stress, fostering personal growth.

Nutrition and environment

Subsidised healthy food options in unit canteens and no-smoking zones reflect our commitment to a healthy work environment.

WELLNESS FIRST: EMERGENCY AMBULANCE SERVICE

To ensure well-being, BKT, along with its neighbours at the Mumbai Head Office, launched a fully equipped emergency ambulance service with partners, ensuring prompt response, wellness support, and community health collaboration.



Health and safety, human rights, POSH, and HIV awareness

At our Bhiwadi unit, monthly sessions on Human Rights, POSH, and HIV awareness have educated 621 staff and workmen, enhancing health and safety culture at BKT.



Fire and life safety sessions

Fire and Life Safety session at BKT’s Pathshala, Bhiwadi played a pivotal role in empowering employees with essential life-saving skills. It provided increased awareness and of the importance of timely intervention to provide basic life support.



Blood donation camp

An annual Blood Donation Camp is organised by BKT Waluj. This initiative aids poor patients in need of blood. This camp saw over 227 employees volunteering to donate blood.



Health and Safety – Emergency Response Team (ERT) awareness sessions

Several awareness sessions organised on ERT Awareness for staff & workers both between June and August 2024. 106 participants joined the session.



Health awareness session (CPR and First Aid)

April and June 2024

Three sessions on CPR and First Aid awareness were conducted in Bhiwadi. It was organised by City Nursing Home & Red Cross Society, Bhiwadi, wherein more than 80 people participated in the sessions.



Annual employee health check-up

A Health Check-up Camp was held across our units with tests such as Pulmonary Function Tests (PFT), audiometry, blood sugar, and blood pressure assessments, etc. facilitated employee wellness and reinforces the leadership’s commitment to health and wellness.

Employee benefits

For FY 2024-25, we continue to support our workforce with a robust benefits package, including healthcare services, group life insurance, parental (maternity) leave, canteen facilities accessible at subsidised rates, housing options, transportation and easy access to medical care. These benefits are designed to enhance job satisfaction and efficiency, fostering a motivating work environment. Our policies, grounded in cultural values, create a supportive, inclusive atmosphere

where employees feel appreciated. By addressing immediate needs and promoting well-being as well as professional growth, we maintain an engaged and productive workforce that excels in innovation. This commitment to comprehensive benefits and positive workplace culture demonstrates our dedication to employee health, safety, and happiness, helping us attract top talent and ensure sustainable success.

Permanent employees	Contractual employees	Permanent workers	Contractual workers
Maternity benefits	Maternity benefits	Accidental insurance	Benefits covered under the ESIC Policy or Workmen Compensation Policy, as applicable
Accidental insurance	Accidental insurance		
Health insurance	Health insurance	Health insurance	
Loan facility	Loan facility		

During FY 2023-24, one female employee availed maternity leave and returned to work in FY 2024-25.

Community well-being

BKT’s CSR vision for FY 2024-25 centres on advancing education, health, and rural development. We deeply believe that the welfare and prosperity of the communities we serve are integral to our success as a responsible corporate entity and we focus on driving sustainable change and rural progress. Driven by a profound sense of duty, we have strategic programmes aimed at promoting sustainable development and improving the quality of life for all stakeholders. Our CSR efforts encompass a wide range of activities, from promoting education and supporting entrepreneurship to advocating for environmental conservation and promoting social inclusion. Utilising a participatory, bottom-up, and consultative approach enables us to design programmes that address the unique needs and circumstances of our target beneficiaries. We collaborate with a variety of CSR project implementation partners and committed employee volunteers to effectively execute numerous sustainable development initiatives.



Below are some of the initiatives we have undertaken for social cause

MID-DAY MEAL PROJECT: THE AKSHAYA PATRA FOUNDATION

Through BKT’s contribution of ₹3.8 Crores, a partnership was established with The Akshaya Patra Foundation, Bengaluru, to serve mid-day meals to 30,000 children across schools in Bhuj, Gujarat. This initiative ensures that children from disadvantaged backgrounds receive hot, nutritious meals every school day, helping improve attendance, focus, and overall learning outcomes.

Prepared in Akshaya Patra’s centralised kitchen at Bhuj, the meals use seasonal vegetables, grains, and locally preferred recipes ensuring both nutrition and

cultural relevance. The programme is aligned with the Government’s PM-POSHAN scheme and supports the United Nations Sustainable Development Goals of Zero Hunger and Quality Education.

By addressing hunger as a barrier to learning, this collaboration not only nourishes young bodies but also empowers children to pursue education with dignity and hope, creating a lasting impact on their future and the community.



UPGRADATION OF CENTRALISED KITCHEN PROJECT

The Bhuj Centralised Kitchen of Akshaya Patra underwent upgradation, supported by BKT with a generous contribution of ₹90 Lakhs. This investment enabled the installation of critical infrastructure and modern equipment to enhance efficiency, safety, and quality in large-scale meal preparation.

Through BKT Tires, the Akshaya Patra Bhuj kitchen was supported with key enhancements which include improved operations infrastructure such as pedestal and ceiling fans, movable aluminium sections, a 3HP mud pump, vehicle washing pump, and advanced hygiene and security measures including CCTV cameras, UPS backup,

MS lockers and stainless-steel fixtures. To strengthen food preparation, the kitchen was equipped with a vegetable washing machine, pulveriser, specialised motors for rice cleaning, roti and sukhadi making, and an atta kneading machine.

Additionally, BKT supported the kitchen with distribution vessels, roti collecting trays, pallet trucks, solar rooftop panels, jet pressure pumps, and vehicles including passenger vehicles and an auto rickshaw. This upgradation expands capacity to serve approximately 30,000 nutritious meals daily, reinforcing Akshaya Patra's mission to eliminate hunger.



VADVARA AHIR SAMAJWADI BOUNDARY WALL

The Vadvara Ahir Samajwadi initiative in Bhuj, Gujarat, constructed a boundary wall in Kandherai Village to enhance facilities for the Ahir community. This project supports group marriages and social gatherings, directly benefitting 175 Vadvara residents and indirectly assisting 5,000 individuals from nearby villages. The structure fosters community cohesion and facilitates significant cultural and social events for the region.



TATA MEMORIAL HOSPITAL

BKT with a contribution of ₹5.32 Crores, has provided CT Dual Energy Scanner to Tata Memorial Hospital, powered by the AI-based Platform Revolution Maxima, is transforming diagnostic imaging. Supporting 1-1.5 Lakhs patients annually, it provides accurate CT scans and CT-guided biopsies. This technology enhances diagnostic precision and streamlines patient care, addressing the growing demand for reliable imaging solutions, ultimately leading to improved healthcare delivery and patient outcomes.



SHIRODKAR HOSPITAL TRUST AT ASIAN INSTITUTE OF MEDICAL SCIENCES

BKT contributed ₹2.24 Crores towards the provision of a Misso Robotic Surgical Equipment System, which enhances joint replacement precision via AI-guided robotic planning and bone cutting to the Asian Institute of Medical Sciences, underscores BKT's commitment to advancing healthcare technology and improving medical infrastructure responsibly.





I would like to express my heartfelt gratitude to Dr. Lapasia for the successful robotic knee replacement surgery. The entire procedure was smooth and absolutely painless, and I was able to return home within just five days. A special thanks to the BKT Team for their unwavering support in making this advanced treatment accessible to me”.

Mrs. Prabha Tandulkar

58 Years



I am incredibly thankful to Dr. Lapasia and the entire medical staff for the exceptional care during my robotic knee replacement surgery. The process was seamless, and I experienced minimal discomfort. Thanks to this advanced treatment, I was discharged within five days and am now on the path to recovery. My sincere appreciation goes to the BKT Company for their generosity in making such treatments possible for patients like me”.

Mrs. Tara Bhanushankar Khetiya

64 Years

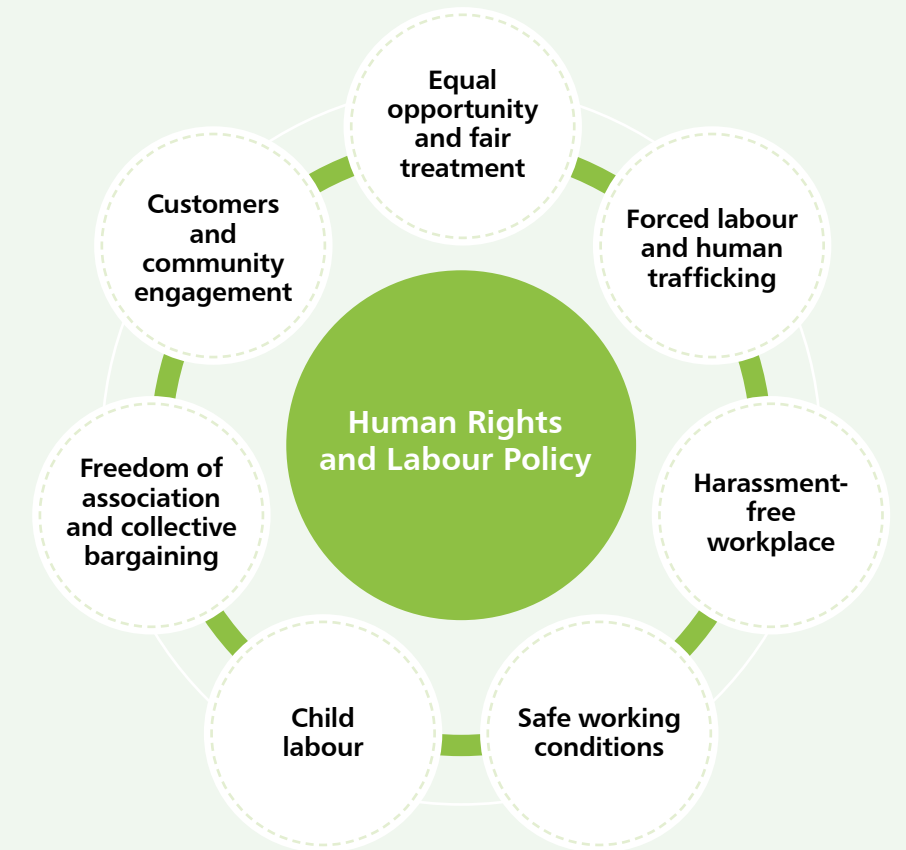


Human rights and workforce stewardship

At BKT, we uphold human rights across all operations, promoting dignity, diversity, and equality. Our commitment fosters an inclusive workplace and extends globally through partnerships with stakeholders, driving human rights advancement. We are dedicated to creating a culture of mutual respect that supports worldwide human rights initiatives.

At BKT, the respect for human rights is foundational to our corporate ethos. Guided by our [Human Rights and Labour Policy](#), we align our practices with applicable regulations, the Universal Declaration of Human Rights (UDHR), the ILO Declaration, and the UN Global Compact. We ensure strict adherence to local laws, implementing and communicating these commitments organisation-wide through comprehensive training, ensuring all stakeholders are well-informed. We have established robust protocols to address human rights challenges and mitigate risks. Our commitments include prohibiting child labour, forced labour, and human trafficking; upholding equal opportunity equal remuneration and fair treatment; fostering a harassment-free environment; and guaranteeing safe working conditions per local laws. We honour the rights to Freedom of Association and collective bargaining and actively prevent discrimination affecting customers and communities.

Our Grievance Redressal Mechanism, accessible through our website, empowers stakeholders to report

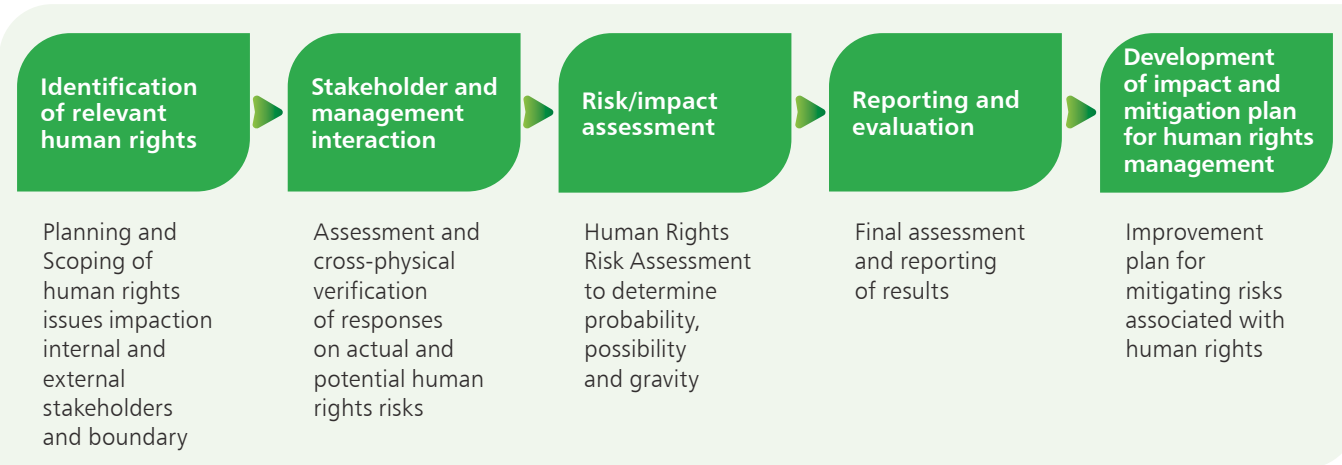


human rights concerns without fear of bias, supported by dedicated platforms for prompt resolution. Ethical standards are paramount across our operations and supply chain. Our Supplier Manual

enforces our Supplier Code of Conduct, ensuring compliance with no-child labour and human rights protections, reinforced through our rigorous Supplier Audit Checklist.



Human rights risk assessment process



In FY 2024-25, a thorough Human Rights Risk Assessment was undertaken by an independent external agency at BKT, covering 100% of employees and workers at all units. The objective was to ensure compliance with the commitment on human rights of employees and workers. We recorded zero violations of indigenous peoples' rights or incidents of discrimination, reflecting our steadfast commitment to human rights stewardship.

Labour practices at BKT emphasise respectful negotiations for long-term

wage agreements beyond minimum standards, fostering motivation and community within our workforce. No significant risks from this assessment were identified that could affect our business operations or compliance obligations. Recommendations from the assessment are currently being incorporated into our operational practices, in alignment with applicable labour laws and the UN Guiding Principles on Business and Human Rights. This ongoing process reflects BKT's commitment to ethical conduct

and responsible operations across all units.

Our engagement with trade unions reinforces a safe and amicable working environment globally, with regular dialogues addressing welfare and productivity concerns. This ensures no risk to the rights of freedom of association and collective bargaining in our operations and supply chain. Through these concerted efforts, BKT continues to uphold human dignity and ethical labour standards across all aspects of our business.

Freedom of association and collective bargaining

Percentage of total employees covered by collective bargaining agreements	23.46% (206 workers out of 878 are part of the association(s) or union)
---	---

Embracing a diverse workforce

BKT fosters a diversity-conscious, inclusive workplace to attract talent, boost innovation, and improve productivity through a supportive environment for a diverse workforce.





BKT has a positive work culture with a supportive work environment with welcoming and helpful colleagues, especially for new employees. It allows for a good work-life balance allowing the employees to manage their professional and personal lives effectively.

The Company emphasises employee development and provides various avenues for career advancement, including skill development programmes and opportunities for internal mobility. Involved in community

engagement programmes, demonstrating a commitment to social responsibility and employee involvement.

Last but not the least, strong leadership that clearly communicates the Company's vision, goals and expectations which are essential for driving success"

Sarang Vaidya

Head, Production Planning Control

At BKT, we believe diversity fuels innovation and resilience and shapes a workplace wherein every individual feels heard, respected, and valued. A truly inclusive environment is indispensable to fostering innovation and employee engagement. We are committed to providing equal opportunities, regardless of age, gender, disability, marital status, caste, creed, race, ethnicity, or religion, enabling every employee to contribute their unique strengths and experiences. There have been no incident of discrimination in the past four financial years, including FY 2024-25. Currently,

the ratio of basic salary between women and men in our permanent workforce stands at 0.86, emphasising our commitment to gender pay equity.

Our diversity, equity, and inclusion (DEI) policy, supervised by senior management, upholds a zero-tolerance approach to discrimination and dedication to equal opportunity. We strive to ensure equitable access to rewards, recognition, and benefits, nurturing a motivational culture and empowering every team member to thrive.



It has been nearly 18 years since I joined BKT, and during this time, I have had the opportunity to acquire a wide range of skills that have significantly contributed to my personal and professional growth.

The work environment at BKT has always been supportive, positive and encouragement in all levels.

I am sincerely grateful for the opportunity to serve this esteemed organisation and to be a part of its continued success"

Rama Iyer

Personal Secretary - Director's Office

Promoting a sense of belonging through equitable practices and embracing differences is paramount. We prioritise gender representation in committees and actively work towards closing the gender gap by increasing female representation at all management levels. Notably, there has been significant growth in the number of women in managerial positions, reflecting our ongoing commitment to enhancing gender diversity and inclusion across the organisation.

SUPPORTIVE WORK CULTURE

At BKT, to ensure employees feel secure and empowered to voice concerns, we have established a robust grievance management reporting system. These policies provide a clear, multi-channel procedure for registering complaints related to procedures, personnel, or resources,

delineating roles and responsibilities along with an escalation process. This approach guarantees timely and effective resolution of grievances, thereby fostering an environment grounded in trust and respect. We uphold strict policies that ensure zero tolerance for discrimination and

harassment based on race, colour, religion, disability, age, gender, sexual orientation, appearance, or marital status, with particular emphasis on preventing sexual harassment and supporting non-retaliation.

WOMEN'S DAY CELEBRATION AT CORPORATE OFFICE

At BKT, International Women's Day was marked by activities that celebrated women's achievements in social, economic, cultural, and political realms. The events featured greeting cards, a Haldi Kumkum ceremony, and inspiring sessions, all aimed at honouring women's contributions, fostering unity, and acknowledging their significant impact both locally and globally.



WOMEN'S DAY CELEBRATION AT WALUJ

On Women's Day, we celebrated with our female colleagues with engaging indoor activities, gifts, and a memorable outing to Khatod's Farms. The day featured traditional welcomes, fun-filled games, cultural performances, Mehendi art, and Hurda supper, reflecting our supportive work culture and appreciation for their contributions, ensuring joy and lasting memories.

Safeguarding occupational health and safety



We prioritise Health and Safety with a 'Safety First' principle at the core of our approach.

At BKT, the 'Safety First' principle lies at the heart of our strategy, fuels comprehensive training programmes to empower our teams to champion workplace safety, focusing on enhancing holistic well-being and achieving work-life balance. Our Environment, Health, and Safety (EHS) Policy establishes solid framework for hazard identification, risk assessment and corrective action. We maintain an Occupational Health and Safety (OHS) management system that applies to all employees, contract workers, on-site service providers, and visitors, covering manufacturing units, warehouses, administrative offices, and R&D centres. Key activities include

routine safety inspections, emergency drills, risk assessments, and incident investigations across these spaces. Worker consultation and participation are fundamental, ensuring that their perspectives are integral to health and safety matters. We conduct thorough incident investigations and maintain emergency management protocols to prevent harm during accidents. To achieve continuous improvement, we define, monitor, and communicate specific health and safety objectives to stakeholders, reflecting our dedication to high safety standards.

Furthermore, we mandate that our suppliers adopt an occupational health and safety management model that complies with international standards and local regulations. This system has

been established in alignment with both operational best practices and legal requirements mandated under Indian law, including the Occupational Safety, Health and Working Conditions Code, 2020, Factories Act, 1948, and the Environment (Protection) Act, 1986, Industrial Relations Code, 2020 and state-wise regulatory requirements such as Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017, among others. By collaborating with stakeholders, we demonstrate adherence to ISO 14001:2015 and ISO 45001:2018 standards to ensure responsible management of health, safety and hygiene.

Comprehensive safety training programmes

BKT focuses on an accident-free workplace, beginning with extensive health and safety training at the onset of employee onboarding. This training encompasses process safety, environmental standards, health protocols, operational guidelines and the distribution of Personal Protective Equipment (PPE) kits, ensuring employee safety. Additionally, employees are acquainted with new machinery and

processes as part of ongoing learning and development.

We ensure health and safety awareness through cross-functional team audits, external audits, safety reviews, monthly meetings, and refresher training sessions. Employees are encouraged to comprehensively understand our Environment, Health, and Safety (EHS) policy and Standard Operating Procedures (SOPs), which outline the criteria for safe operations within

our facilities. Regular emergency preparedness exercises further reinforce adherence to these protocols. Our health centres, strategically located near unit facilities, provide immediate healthcare support, offering easy access to first aid and hospitalisation services for employees, workers, and contractors. By embedding these practices into our operations, BKT strives to ensure a safe, healthy, and productive work environment.

At BKT, we implemented weekly safety messages and campaigns, along with the Safety Month Programme (during 2025). With 100% HSE legal compliance, annual returns were filed and inspections by MoEFCC, GPCB, and Factory officials recorded no major observations. External audits and the National Safety Council yielded strong results, including an 82% safety rating (3-star)

and successful completion of the 1st stage 5-star audit by the British Safety Council. Initiatives included LOTO system implementation, 100% employee medical examinations, extensive safety training programmes, and 94% compliance on safety audit observations.



INDUCTION SAFETY TRAINING PROGRAMME

A structured two-day Induction Safety Training, led by the HSE team, equips new workers with essential workplace safety skills. Day 1 covers theoretical learning on HSE policies, PPE, hazard identification, and emergency procedures. Day 2 includes practical unit rounds, live demonstrations of safety devices, and emergency response protocols, ensuring preparedness and compliance.



LEADERSHIP SAFETY ROUNDS

Scheduled safety rounds, led by senior management, proactively identify unsafe acts, conditions, and improvement opportunities across all departments. Guided by HSE-prepared checklists, leaders conduct unit visits, engage with workers, and log observations. Findings are tracked, analysed monthly, and reviewed in HSE meetings, fostering safety culture, leadership visibility, and continuous improvement.

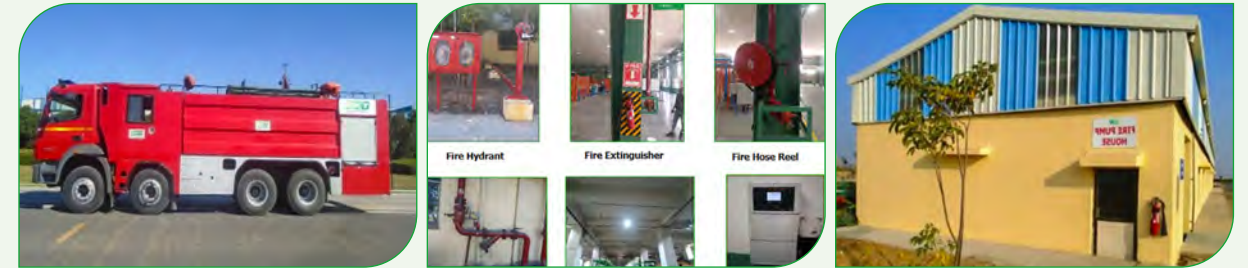




SAFETY AT BKT

We prioritise occupational health and safety through regular maintenance and inspection of the Fire Pump House, fire vehicles, fire-fighting equipment, and fire hydrants. Comprehensive training programmes,

routine safety drills, and strict adherence to standards ensure operational readiness, minimise risks and safeguard employees while enhancing emergency response capabilities across all facilities.



Salient features of safety procedures at BKT

Responsible officers conduct regular inspections of work areas while on duty to maintain safety standards.

Daily maintenance and review of fit-out safety checklists are conducted, supplemented by regular fire drills.

The Hazard Identification and Risk Assessment (HIRA) procedure is regularly implemented.

Systematic audits are undertaken to pinpoint and manage hazardous circumstances.

Employees are supplied with appropriate Personal Protective Equipment (PPE) designed for the risks they encounter.

Incident assessment and management systems

BBKT has a robust framework for incident reporting, investigation, and analysis with transparent communication regarding work-related incidents, accidents, near misses and unsafe conditions. Investigative teams meticulously review participation records to identify risks and uncover root causes, facilitating the implementation of targeted corrective and preventive measures. Comprehensive Hazard Identification and Risk Assessment (HIRA) processes, alongside Aspect-Impact (AI) registers, manage risks across all functions.

Our facilities are equipped with advanced fire safety measures, including hydrant systems and fire engines. Safety Committees actively engages stakeholders to implement suggestions, ensuring our workforce is prepared for process enhancements and new technologies. This dedication to continuous improvement in Occupational Health and Safety (OHS) management is central to our ethos at BKT.

Product design and lifecycle management

Dedicated to excellence in Product Design and Lifecycle Management, ensuring innovation, quality, and sustainability throughout every stage of development and implementation.

Case study

In response to a leading urban transit authority's requirement for high-capacity monorail tires, BKT's Technology team developed enhanced 305/70R22 Load Wheels and 6.00R9 Guide Wheels, further increasing load carrying capacity by 1,200 kg. Through Finite Element Analysis (FEA), engineers reinforced the tires with advanced steel belts and compounds, ensuring durability and performance. Initial samples were delivered in December 2023, followed by commercial rollout production. Simultaneously, the Advanced Engineering Group (AEG) used FEA to replace 9864 hours of physical testing with just 1,712 virtual testing hours, eliminating the need for 57 physical prototypes across various tire segments. This shift not only accelerated development but significantly reduced material waste and energy usage, aligning with



BKT's commitment to innovation and environmental responsibility. The newly developed MONORIB tires now offer improved efficiency, lower rolling resistance, and enhanced ride comfort, marking a major milestone in sustainable tire engineering.

BKT leverages cutting-edge tire simulation technologies to revolutionise the development process, achieving a reduction in development time by over 40% compared to traditional methodologies. Our initial tire designs adhere stringently to international standards such as ETRTO for Europe, BIS for India, and TRA for the United States, ensuring global compliance and excellence. By incorporating 3D printing in prototyping, we minimise extensive trial testing and conserve resources, streamlining our development phase.

Central to our innovation is the focus on the Tire Design Triangle, striving for an ideal balance between Wear and Tear, Rolling Resistance, and Grip. Our virtual simulations are meticulously designed to optimise tire efficiency, enhancing mileage and durability while precisely controlling lateral forces. Through

the adoption of modular designs, we significantly reduce the frequency of physical iterations during development, ensuring a more efficient process.

Our simulation technologies also play a critical role in identifying and addressing technical challenges, such as issues related to rubber heating and dissipation, which could lead to tire damage and rubber separation. By using state-of-the-art design software, BKT upholds the highest standards of quality and safety in tire production. Our approach includes predictive models that integrate criteria to reduce the risk of tire failure, ensuring that BKT's tires consistently meet rigorous performance and safety standards. These advancements enable BKT to deliver superior tire products that cater to diverse global markets.

"Working in BKT for past 18 years, I have witnessed an exponential growth of the company and that too at a fast pace. The company has challenged me to think 'Out of the Box', while supporting my decisions and helping me grow along. The caption 'GROWING TOGETHER' encapsulates BKT as a whole. I am so proud to be a part of an organisation that holds a positive and productive approach towards work."

Rajesh Gadkari
GM, Technology

Product quality and safety

At BKT, we are committed to ensuring the highest standards of product quality and safety through rigorous processes and continuous improvement initiatives.

Commitment to quality and safety at BKT

BKT has long been recognised for upholding the highest standards in quality and safety—cornerstones of our commitment to customer satisfaction. By rigorously focusing on the integrity of our products and services, we have cultivated a strong brand reputation that drives performance and fosters trust. Our comprehensive quality assurance processes ensure compliance with international and national standards such as, ISO 9001, ISO 14001 and ISO 45001 certifications, underscoring product quality, safety and reliability.

Enhancing mobility for people and goods is central to our mission, achieved through a dedicated focus on product safety and quality. We provide intensive training for all employees throughout our value chain to maintain superior standards, ensuring customers consistently receive the excellence associated with the BKT name. Our Off-the-Road (OTR) tires are distinctly marked with serial numbers on their sidewalls, guaranteeing freedom from manufacturing defects. This warranty extends to the original usable tread, up to five years from the date of sale, highlighting our assurance of product quality. Leveraging technical expertise and market insights, BKT has developed bespoke safety standards for diverse

product types and usage categories. Our commitment to safety is evident in comprehensive testing procedures that ensure regulatory compliance while meeting stringent internal benchmarks. This rigorous approach confirms our dedication to delivering reliable, high-quality solutions that avoids possibilities of product recalls and enhance mobility safely and efficiently, with no observed non-compliance regarding the health and safety impacts in FY 2024-25.

Our dedicated mobile application to address warranty claims that enables distributors and customers to register quality-related claims under the warranty provision aligned with our warranty policy. These claims are initially reviewed by the sales team, followed by a technical evaluation. Upon validation, a sanction note is issued to facilitate successful claim settlement, ensuring a streamlined and transparent process.

Tire care and maintenance

Optimal tire performance is crucial for productivity, with efficient selection and application processes that account for varied environmental conditions from soft soil to rocky terrain. We conduct thorough evaluations to align tire choices with specific project requirements. We also provide customers with tailored tire maintenance programmes that

incorporate additional performance factors like inflation pressure and load management.

Our comprehensive safety and quality measures include various offerings, such as Tire Safety Warning Plates and Standard Operating Procedures (SOPs) with detailed mounting and air pressure guidelines. Regular maintenance demonstrations, national and international, ensure optimal tire performance. We offer consultations on gear ratios and loading capacities for new customers. The Bhuj Carbon Black unit is also IATF ISO/TS 16949 certified, and our products bear E-Marking certification for EU standards.

Our testing regimen includes extensive safety trials across varied terrains, ensuring full compliance with REACH regulations aligning with our commitment towards environmental safety and human health. Our rigorous processes adhere to the highest EU standards, emphasising responsible chemical management and innovation. Comprehensive stereography tests affirm quality for heavy-loading tire sizes. Rigorous vendor quality assurance and a systematic feedback mechanism are key components of BKT's tire safety strategy, exemplified by extensive in-unit quality training, regular internal checks, and a robust resolution process for quality-related issues.

Case study

QUALITY 4.0 AT BKT: REVOLUTIONISING EXCELLENCE THROUGH INNOVATION

BKT has embarked on a transformative journey with its Quality 4.0 initiatives, integrating advanced technologies to enhance production quality and operational efficiency. This innovative approach comprises digitalisation, automation, machine learning, Poka-yoke techniques, and machine upgrades across all operations.

Digitalisation

BKT's commitment to digitalisation is reflected in the complete implementation of digital displays for all utility parameters at every unit. The Bhuj unit leads with section-wise digital galleries, setting a benchmark for integrated digital solutions in tire manufacturing.

Automation in processes

Automation has been seamlessly incorporated into various processes, exemplified by:

- Auto-carbon charging systems
- Automated chemical weightment systems across all units
- Auto-controlled conveyor systems in mixers
- Auto gauge control at the four-roll calendar
- Auto bias cutters and turn-up machines
- Auto-spray painting systems at the Bhuj facility

MACHINE LEARNING

State-of-the-art software devices are installed on the GOTR tire building machines, capturing operational data relative to HMI. This data is systematically analysed via dashboards, facilitating actionable insights. Real-time alerts are being integrated to ensure swift responses and proactive management.

Poka-yoke techniques

Poka-yoke techniques have enhanced process reliability and safety:

- Chemical bag sensors on feeding conveyors in the mixing department
- Wire detection systems in bead winding machines
- Periodic BIC checks on master BPR to prevent bypassing crucial steps
- Step interlocking on building machines to ensure complete tire assembly
- Laser sensors adjust beam direction according to component application
- Component tracking systems on tire building machines to prevent omissions
- SMART weighing scales and temperature sensors on Marangoni laminators ensure precise carcass weights and optimal temperature for lamination
- The Go-No Go system in final finishing detects weight discrepancies, preventing off-spec tires from entering the warehouse through SAP integration

BKT's Quality 4.0 initiatives underscore a robust commitment to innovation, ensuring unparalleled quality and efficiency in every facet of tire production. These advancements position BKT as a leader in the tire manufacturing industry, driving excellence and setting new standards for operational practices.



Proud to work with BKT for the last 23 years. Here the Quality is Top-Down Driven and that is what made BKT what it is today.

The main challenge before me was to build a top-class quality with raw workforce and that too with high number of SKU's. To meet this challenge, Quality control is playing an important role by way of – Team involvement, Continuous training, 100% release system at all stages, complying to international systems & continuously upgrading machines & systems to enhance customer satisfaction. Today Quality has gone in blood

at all levels. We are now working to improve our Quality through Quality 4.0 principles.

I have witnessed an exponential growth of the company and that too at a fast pace. The caption 'GROWING TOGETHER' encapsulates BKT as a whole. I am so proud to be a part of an organisation that holds a positive and productive approach towards work".

Anil Kumar Sharma

Sr. General Manager - Quality Control

Tire labelling

Adhering to stringent international and national standards, BKT ensures precise tire labelling for effective tracking and usage identification. Our Product Service Catalog provides comprehensive safety directives and product details, complemented by a Tire Warranty Policy outlining guidelines for optimal use. Throughout FY 2024-25, BKT maintained zero incidences of non-compliance with regulatory or voluntary coding standards, emphasising our commitment to quality assurance.



Customer-centricity: Building trust through responsiveness

For over 60 years, BKT has fostered long-term relationships with clients through reliability and responsive service. Our mission focuses on environmentally responsible Off-Highway tire production, addressing specific customer needs across multiple sectors while ensuring legal compliance. We offer an extensive product range with diverse categories and SKU options, supported by regular

educational events promoting safe usage practices.

BKT actively engages with customers post-sale, ensuring satisfaction, trust, and loyalty. Our customer-centric approach, bolstered by strategic marketing initiatives, guarantees a strong industry presence. A dedicated communication channel and customer research team collect invaluable feedback from meetings, workshops, and various interactions, refining our understanding of market dynamics and expectations.

FEW SALIENT FEATURES OF OUR TIRES

- Highest quality standards
- REACH compliant
- Lowest rejection rate in Industry
- Highest customisation levels: 3,600+ SKUs
- 500+ quality tests done across our product cycle
- Sustainable life cycles with enhanced lives of products

Customer testimonials



The feedback from our customers is 100% positive, they are all impressed with everything they experienced. The factory visit is very impressive, and everyone learned a lot about tires in general, but not least they are impressed by the quality you have at all stages of production.

Furthermore, I would like to add that you brought the word hosting to a new level, simply fantastic.

So, thank you very much to all of you who helped us to have an experience we will never forget”

Kjetil Nilsen

NDI Norge AS



BKT's products stand out due to their innovation and suitability across various applications. Their wide range, adaptability to different segments and durability make them highly competitive in the global market. We have consistently found BKT's products to be of high quality, with excellent performance and minimal issues in the field. Reliability is one of the key reasons we continue to recommend BKT. Both pre- and post-sales support are prompt and effective. BKT adheres to global quality and safety standards, which adds to our confidence in representing and using their products in the UK market.

BKT has shown agility in adapting to global supply chain dynamics and market demands, especially during challenging periods.

BKT's manufacturing facilities reflect a strong investment in cutting-edge technology and automation, ensuring consistent product quality and production efficiency. The emphasis on continuous improvement and adherence to international manufacturing standards further highlights BKT's leadership in industrial excellence.

We appreciate BKT's increasing focus on sustainability and transparency in communications. Their initiatives in responsible sourcing, energy efficiency, and environmental stewardship align well with current global expectations.

We appreciate BKT's increasing focus on sustainability and transparency in communications. Their initiatives in responsible sourcing, energy efficiency, and environmental stewardship align well with current global expectations”

Mr. Michael Rosenthal

Commercial Director (Kirkby Tires Ltd, UK)

Customer feedback mechanism: Enhancing service through insight

Our robust feedback mechanism collects customer insights to drive service improvement. Regular surveys document suggestions and refine offerings, ensuring excellent service that reinforces trust and reputation. Transparency is key in grievance resolution, with continuous updates and prompt actions maintaining exceptional customer care. Throughout FY 2024-25, BKT registered zero complaints related to data privacy, advertising, and cybersecurity, underscoring our commitment to quality and transparency in customer relations.

Key sponsorships

EuroLeague Basketball

Premium Partner since 2020 and Title Sponsor of the BKT EuroCup since 2023, reaching Millions of fans across Europe

BKT United Rugby Championship

- Title Sponsor since 2022, strengthening our presence in high-impact, international tournaments

- Six Nations Rugby Championship: Official Tire Partner, associating BKT with one of the world's most prestigious and historic rugby events

T-20 Cricket League

Proud supporter of iconic franchises in T-20 cricket leagues, anchoring our appeal to youth and cricket fans in one of the world's largest sporting leagues

Monster Jam

Partner since 2014. This long-standing collaboration showcases BKT's engineering strength in high performance, extreme conditions while connecting with diverse, family-oriented audiences across North America

LaLiga (Spain)

Official sponsor of Spain's top-tier football league, reinforcing our brand in a sport followed passionately across continents

The Hundred (UK Cricket)

Partner of the dynamic, fast-paced tournament designed to engage younger audiences and families

Ligue 2 (France)

Title sponsorship of the French second-division football league, combining grassroots engagement with national visibility

Curling Canada

Title Sponsor of the World Championships, extending our footprint into North America's winter sports community

Serie BKT (Italian Soccer)

Title Sponsor of Italy's second division since 2018, reinforcing BKT's commitment to sports with strong local roots and national reach

Big Bash League (Australia)

Official Off-Highway Tire Partner and sponsor of the Golden Cap Awards

Farming Simulator Challenge

Partner since 2021, exploring the intersection of agriculture, youth culture, and digital innovation through e-sports



Exhibitions

EIMA, BOLOGNA, ITALY NOVEMBER 2024

At one of the largest agricultural focused exhibitions in Italy, with growing significance for the European market. We have been participating in the same for the past 15 years. We have been launching our new agriculture tire in this exhibition. The recent launch was VF tires

for tractors. We have also been sponsoring the Tractor of The Year (TOTY) award during this exhibition. This award gives us great visibility to the original equipment manufacturers in the agricultural sector. Italian market is fourth largest market for BKT in Europe.



THE TIRE COLOGNE, KOELN MESSE, COLOGNE, GERMANY JUNE 2024

This is a dedicated tire exhibition and one of the largest in Europe. Tire companies from Asia and other countries in Europe have their booth over here including

for the passenger cars, two Wheelers and truck tires. BKT launched its Rubber tracks in this exhibition and participated with the largest booth space.



MINEXPO, LAS VEGAS, USA SEPTEMBER 2024

At one of the largest mining industry exhibition in the Americas, BKT launched its latest 57-inch tires. We also organised a conference for our distributors during this exhibition explaining them about latest industry

developments as well as plans of BKT. This serves as a great meeting place for all BKT distributors from South and North America for BKT.

AGROVISION NAGPUR 2024

BKT proudly continues its decade-long association with Agrovision Nagpur 2024, Central India's premier agricultural exhibition. Over the years, BKT has showcased its advanced range of agricultural tires, attracting thousands of farmers, agri-entrepreneurs, and industry professionals. Through this platform for knowledge-sharing and engagement, we highlight our innovation, durability, and sustainability, thereby empowering the farming community.



Appendix

ESG databook	198
GRI Content Index	216
TCFD Index	222
Sustainability Accounting Standards Board (SASB) index	223
Mapping with United Nations Sustainable Development Goals (SDGs)	224
Acronyms	226

ESG databook

Social Indicators

WORKFORCE

Category	Employees	Unit	FY 2024-25	FY 2023-24	FY 2022-23
Senior management	Male	No.	184	179	188
	Female	No.	2	1	2
	<30	No.	0	0	0
	30-50	No.	87	60	63
	>50	No.	99	120	127
Middle management	Male	No.	731	767	720
	Female	No.	9	1	9
	<30	No.	14	7	7
	30-50	No.	625	627	610
Junior management	>50	No.	101	142	112
	Male	No.	1,919	1,723	1,661
	Female	No.	35	30	32
	<30	No.	1,059	845	835
	30-50	No.	803	830	781
Other employees	>50	No.	92	78	77
	Male	No.	85	68	45
	Female	No.	2	1	0
	<30	No.	6	3	3
Workers (Permanent)	30-50	No.	8	3	3
	>50	No.	73	63	39
	Male	No.	878	881	860
	Female	No.	0	0	0
Workers (Other than permanent contract labour)	<30	No.	103	59	100
	30-50	No.	631	655	607
	>50	No.	144	167	153
	Male	No.	8,248	7,453	5,963
Total workforce	Female	No.	35	28	0
	<30	No.	4,581	4,022	3,691
	30-50	No.	3,511	3,270	2,208
	>50	No.	191	189	64
Total workforce	No.	12,128	11,140	9,480	

*Note – As the Company's operations and reporting boundary are entirely within India, all employees within scope are of Indian origin. Disclosures on race, ethnicity, and nationality reflect this demographic uniformity, in full compliance with applicable Indian laws and regulations.

NEW EMPLOYEE HIRES

Category	Employees	Unit	FY 2024-25	FY 2023-24	FY 2022-23
Senior management	Male	No.	34	29	20
	Female	No.	0	0	0
	<30	No.	0	0	0
	30-50	No.	30	20	12
	>50	No.	4	9	8
Middle management	Male	No.	80	37	67
	Female	No.	2	0	1
	<30	No.	9	2	2
	30-50	No.	72	35	64
Junior management	>50	No.	1	0	2
	Male	No.	335	405	441
	Female	No.	11	2	7
	<30	No.	274	326	356
	30-50	No.	71	79	92
Other employees	>50	No.	1	2	0
	Male	No.	29	0	0
	Female	No.	2	0	0
	<30	No.	3	0	0
Workers (Permanent)	30-50	No.	6	0	0
	>50	No.	22	0	0
	Male	No.	43	52	34
	Female	No.	0	0	0
Total New employee and workers	<30	No.	22	1	15
	30-50	No.	21	48	19
	>50	No.	0	3	0
Total New employee and workers	No.	536	525	570	

NEW EMPLOYEE HIRE RATE

Category	Employees	Unit	FY 2024-25	FY 2023-24	FY 2022-23
Senior management	Male	%	18.73	15.80	11.76
	Female	%	0	0	0
	<30	%	0	0	0
	30-50	%	40.82	32.52	19.35
	>50	%	3.65	7.29	7.27
Middle management	Male	%	10.68	4.98	9.85
	Female	%	22.22	0	11.11
	<30	%	85.71	28.57	21.05
	30-50	%	11.50	5.66	11.28
	>50	%	0.82	0	1.78
Junior management	Male	%	18.40	23.94	27.55
	Female	%	33.85	6.45	22.95
	<30	%	28.78	38.81	45.18
	30-50	%	8.70	9.81	11.99
	>50	%	1.18	2.58	0
Other employees	Male	%	37.91	0	0
	Female	%	133.33	0	0
	<30	%	66.67	0	0
	30-50	%	109.09	0	0
	>50	%	32.35	0	0
Workers (Permanent)	Male	%	4.89	5.97	3.96
	Female	%	0	0	0
	<30	%	27.16	1.26	14.49
	30-50	%	3.27	7.61	3.14
	>50	%	0	1.88	0
Total employees and workers			14.28	14.63	16.81

EMPLOYEE TURNOVER

Category	Employees	Unit	FY 2024-25	FY 2023-24	FY 2022-23
Senior management	Male	No.	27	36	16
	Female	No.	0	0	0
	<30	No.	0	0	0
	30-50	No.	9	10	6
	>50	No.	18	26	10
Middle management	Male	No.	58	59	66
	Female	No.	0	1	1
	<30	No.	9	0	3
	30-50	No.	43	51	46
	>50	No.	6	9	18
Junior management	Male	No.	199	268	267
	Female	No.	7	4	3
	<30	No.	151	171	191
	30-50	No.	53	90	76
	>50	No.	2	11	3
Other employees	Male	No.	16	0	0
	Female	No.	1	0	0
	<30	No.	0	0	0
	30-50	No.	4	0	0
	>50	No.	13	0	0
Workers (Permanent)	Male	No.	45	31	31
	Female	No.	0	0	0
	<30	No.	2	0	4
	30-50	No.	27	12	16
	>50	No.	16	19	11
Total employee and workers		No.	353	399	384

*Note – Employee turnover is calculated based on voluntary resignations and there are no involuntary employee turnovers in the above table.

EMPLOYEE TURNOVER RATE

Category	Employees	Unit	FY 2024-25	FY 2023-24	FY 2022-23
Senior management	Male	%	14.88	19.62	8.72
	Female	%	0	0	0
	<30	%	0	0	0
	30-50	%	12.24	16.26	9.16
	>50	%	16.44	21.05	8.33
Middle management	Male	%	7.74	7.94	8.88
	Female	%	0	11.11	11.11
	<30	%	85.71	0	31.58
	30-50	%	6.87	8.25	7.32
	>50	%	4.94	7.09	15.72
Junior management	Male	%	10.93	15.84	16.39
	Female	%	21.54	12.90	9.68
	<30	%	15.86	20.36	23.29
	30-50	%	6.49	11.17	9.90
	>50	%	2.35	14.19	4.14
Other employees	Male	%	20.92	0	0
	Female	%	66.67	0	0
	<30	%	0	0	0
	30-50	%	72.73	0	0
	>50	%	19.12	0	0
Workers (Permanent)	Male	%	5.12	0	3.56
	Female	%	0	0	0
	<30	%	2.47	0	4.37
	30-50	%	4.20	1.90	2.56
	>50	%	10.29	11.88	7.17
Total employees and workers		%	9.40	11.12	11.32

INTERNAL HIRES

Category	Employees	Unit	Internal hire	% of open positions filled by internal candidates
Senior management	*Male	No.	2	0.35
	*Female	No.	0	0
	<30	No.	0	0
	30-50	No.	1	0.18
	>50	No.	1	0.18
Middle management	*Male	No.	9	1.58
	*Female	No.	0	0
	<30	No.	0	0
	30-50	No.	9	1.58
	>50	No.	0	0
Junior management	*Male	No.	52	9.15
	*Female	No.	0	0
	<30	No.	3	0.53
	30-50	No.	43	7.57
	>50	No.	6	1.06
Workers (Permanent)	Male	No.	0	0
	Female	No.	0	0
	<30	No.	0	0
	30-50	No.	0	0
Total			63	11.09

AVERAGE HIRING COST

Category	Unit	FY 2024-25
Employees (Staff Permanent)	Avg. hiring cost/FTE in INR	43,997

RETURN TO WORK AND RETENTION RATE

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

#One female permanent employee has availed maternity leave in FY 2023-24 and returned to work in FY 2024-25

AVERAGE TRAINING HOURS AND AMOUNT SPENT

Category	Unit	FY 2024-25	FY 2023-24
Employees (Staff Permanent)	Avg. hours of training	15.93	11.11
Employees (Staff Contract)	Avg. hours of training	4.56	12.54
Workers (Permanent)	Avg. hours of training	5.86	7.04
Workers (Contract)	Avg. hours of training	55.21	42.34
Total permanent employees and worker	Avg. hours of training	13.57	10.10
Amount spent per permanent employee and worker	Avg. amount spent in INR	2811.05	2983.45

BOARD DIVERSITY

Category	FY 2024-25	FY 2023-24	FY 2022-23
% of Women representation in Board of Directors	25%	25%	25%

WORKFORCE GENDER DIVERSITY

Category	% of women share in FY 2024-25	FY 2023-24
Total workforce	0.68	0.62
All management positions	1.60	1.48
Junior management	1.90	1.72
Middle Management	1.18	1.12
Senior management	0.55	0.64
Revenue-generating positions (sales)	14.29	14.46
STEM-related positions	0.36	0.16

GENDER PAY INDICATORS

Employee level	Average Salary (₹)	
	Women	Men
Executive level	22,29,030	62,78,992
Management level	14,90,979	12,77,386
Non-management level	6,69,564	5,42,069

GENDER PAY GAP

Employee level	Difference between men and women employees (%)
Mean gender pay gap	14.37
Median gender pay gap	0.63

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

Employee Category	Ratio of the Basic Salary and Remuneration of Women to Men for each Employee Category, by significant location of operation
Permanent employees	0.86

PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY

Employee level	Percentage of senior management at significant locations of operation that are hired from the local community, FY 2024-25
Senior Management	100%

HUMAN RIGHTS TRAINING FOR SECURITY PERSONNEL

Category	FY 2024-25	FY 2023-24
Total number of security personnels	306	310
Security personnels received training on Human Rights Policy and Procedures	306	310

HEALTH AND SAFETY

Particulars	Category	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0	0	0
	Workers	0.12	0.09	1.63	2.22
Total recordable work-related injuries	Employees	0	0	0	0
	Workers	3	2	21	26
No. of fatalities	Employees	0	0	0	0
	Workers	0	0	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0	0	0
	Workers	0	0	0	0

GRIEVANCE/COMPLAINTS RELATED TO DATA PROTECTION

Category	FY 2024-25		FY 2023-24		FY 2022-23		FY 2021-22	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	0	0	0	0	0	0	0	0
Advertising	0	0	0	0	0	0	0	0
Cyber-security	0	0	0	0	0	0	0	0

HUMAN RIGHTS

Category	Unit	% of Units and Offices covered for assessment for FY 2024-25 *
Child labour	%	100
Forced labour/Involuntary labour	%	100
Sexual harassment	%	100
Discrimination at workplace	%	100
Wages	%	100

*Note – For FY 2024-25, BKT has carried out external third-party assessment for the above disclosure.



Governance Indicators

DATA SECURITY

Particulars	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Number of data breaches	0	0	0	0
Percentage involving Personally Identifiable Information (PII)	0	0	0	0
Number of users affected	0	0	0	0

COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

Particulars	FY 2024-25
Total number of governance body members in the organisation	8
Number of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	8
Percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	100%
Number of governance body members that have received training on anti-corruption	8
Total number employees in the organisation	2,967
Number of employees that the organisation's anti-corruption policies and procedures have been communicated to	2,967
Percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	100%
Number of employees that have received training on anti-corruption	2,967

COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

Particulars	Total	Local	Non-Local
Total number of business partners	776	397	379
Percentage business partners that the organisation's anti-corruption policies and procedures have been communicated to, broken down by region.	100%	100%	100%

ECONOMIC PERFORMANCE

Particulars	Unit	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Total revenue	INR lakhs	10,41,288	9,29,870	9,81,052	8,26,671
Other income	INR lakhs	53,455	44,774	33,779	43,060
Total economic value distributed					
Operating cost	INR lakhs	6,84,084	6,21,761	6,55,734	5,09,247
EBITDA	INR lakhs	2,95,503	2,65,180	2,05,343	2,40,610
Total employee-related expenses (salaries and benefits)	INR lakhs	49,355	44,125	40,416	38,043
Payments to providers of capital	INR lakhs	43,451	41,838	35,473	56,848
Payment to government	INR lakhs	52,792	46,148	37,245	54,378
Community investments including CSR spent	INR lakhs	3,294	3,133	2,878	2,909
Economic value retained	INR lakhs	2,61,767	2,17,641	2,43,085	2,08,306

COMPLIANCE WITH LAWS AND REGULATIONS

Particulars	Unit	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Political contributions	INR lakhs	0	0	0	0
Significant instances of non-compliance with laws and regulations	No.	0	0	0	0
Monetary value of fines for instances of noncompliance with laws and regulations	INR lakhs	0	0	0	0
Fines as % of total revenue	%	0	0	0	0
Ongoing investigations related to anti-competitive practices	No.	0	0	0	0
Confirmed cases of corruption and bribery	No.	0	0	0	0
Current involvement in any ongoing corruption and bribery cases	No.	0	0	0	0
Confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	No.	0	0	0	0
Incidents of discrimination and harassment	No.	0	0	0	0
Cases of breach of code of conduct	No.	0	0	0	0
Complaints concerning breaches of customer privacy and losses of customer data	No.	0	0	0	0
Incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and Labelling	No.	0	0	0	0
Incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	No.	0	0	0	0

ANNUAL TOTAL COMPENSATION RATIO

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees	730:01	672:01	629:01
Percentage Increase in highest paid employee's remuneration	12	10	15
Percentage increase in remuneration of other employees	4.00	3.00	10

NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

Particulars	Unit	FY2024-25	FY2023-24
Number of suppliers assessed for social impacts	Nos	20	18
Number of suppliers identified as having significant actual and potential negative social impacts.	Nos	0	0
Total number of new suppliers	Nos	8	2
No of new suppliers screened using social criteria	Nos	8	2
Percentage of suppliers screened using social criteria	%	100	100
Significant actual and potential negative social impacts identified in the supply chain.	Nos	0	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon because of assessment.	%	0	0
Suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	Nos	0	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	%	0	0

MATERIALS USED BY WEIGHT OR VOLUME

Particulars	Units	FY 2024-25	FY 2023-24	FY 2022-23
Non-renewable materials used	MT	2,08,055	2,00,286	2,02,671
Renewable materials used	MT	1,06,061	91,389	91,883
Total volume	MT	3,14,116	2,91,675	2,94,554

Total weight or volume of materials that are used to produce and package the organization's primary products and services

RECYCLED OR RE-USED INPUT MATERIALS TO TOTAL MATERIALS IN PERCENTAGE BY PROCURED VALUE

Particulars	Units	FY 2024-25*	FY 2023-24	FY 2022-23
Crumb powder, recycled rubber, rubberized friction compound, Recovered Carbon Black, recovered oil, bead wire, steel cord with recycle content	Percentage	0.70%	0.51%	0.40%

* The inclusion of bead wire, steel cord with recycled content has contributed to an increase in the percentage of recycled and reused materials in total material consumption for FY 2024-25

NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

Parameter	Units	FY 2024-25	FY 2023-24
Number of suppliers assessed for environmental impacts	Nos	20	18
Total Number of New Suppliers	Nos	8	2
No of new suppliers screened using environment criteria	Nos	8	2
Percentage of suppliers screened using environment criteria	%	100	100
Number of suppliers identified as having significant actual and potential negative environmental impacts.	Nos	0	0
Number of suppliers having negative environmental impacts with which improvements were agreed upon	Nos	0	0
Percentage of suppliers having potential negative environmental impacts with which improvements were agreed upon	%	0	0
Number of suppliers terminated for having negative environmental impacts	Nos	0	0
Percentage of suppliers terminated for having negative environmental impacts	%	0%	0

Environmental Indicators

MATERIALS USED FOR PRODUCTION OF OUR PRODUCTS (IN METRIC TONS)

Materials	FY 2024-25	FY 2023-24	FY 2022-23
Non-renewable material used	2,08,055	2,00,286	2,02,671
Renewable material used	1,06,061	91,389	91,883

Metal raw materials	Units	FY 2024-25	Contribution to total Raw Materials (in % terms)	Recycled content (wt/wt) %
Beadwire	MT	9,600	3%	0.48
Steel cord	MT	5,038	2%	0.74

TOTAL ENERGY CONSUMED ACROSS OUR OPERATIONS (IN GJ)

Type of Energy		FY 2024-25	FY 2023-24	FY 2022-23
Renewable Metrics	Electricity (R.)	35,280	29,069	27,438
	Fuel (R.)	897	751	737
	Renewables Total	36,177	29,820	28,175
Non-Renewable Metrics	Electricity (NR.)	4,14,388	3,93,177	5,33,165
	Fuel (NR.)	66,80,665	63,06,710	56,53,894
	Non-Renewables Total	70,95,053	66,99,887	61,87,059
Total Energy Consumed		71,31,230	67,29,707	62,15,234

ENERGY CONSUMPTION BY SOURCE (IN % TERMS)

Energy sources	FY 2024-25	FY 2023-24	FY 2022-23
Purchased Electricity	5.81%	5.84%	9.37%
Coal	25.08%	24.50%	25.32%
Diesel	0.69%	4.62%	0.10%
Petrol	0.01%	0.01%	0.01%
Off Gas	59.79%	56.35%	53.61%
LPG	0.08%	0.08%	0.82%
Propane	0.000001%	0.000002%	0.000002%
PNG	8.03%	8.16%	10.27%
Renewable Electricity	0.49%	0.43%	0.48%
Biogas	0.01%	0.01%	

TOTAL SCOPE 1 (DIRECT) AND SCOPE 2 (INDIRECT) EMISSIONS RESULTING FROM OUR OPERATIONS

Type of Emissions	FY 2024-25	FY 2023-24	FY 2022-23
Total Scope 1 emissions (in tCO ₂ e)	6,75,773	6,29,185	5,08,202
Total Scope 2 emissions (in tCO ₂ e)	83,684	78,216	1,06,041
Total Scope 1 and Scope 2 emissions per rupee of turnover tCO ₂ e per lakh (in INR)	0.73	0.76	0.63
Total Scope 1 and Scope 2 emission intensity in terms of physical output (in tCO ₂ e per metric ton of production)	1.58	1.62	1.46

TOTAL (SCOPE 1 + SCOPE 2) EMISSIONS BY FUEL TYPE FOR FY 2024-25

Type of Emissions	Source of emissions	Share in total emissions	Total emissions in tCO ₂ e
Scope 2	Grid Electricity	11.02%	83,683.50
	Coal	22.80%	1,73,136.32
	Diesel	0.48%	3,645.14
	Petrol	0.01%	66.42
	Off Gas	61.03%	4,63,477.57
Scope 1	LPG	0.04%	339.88
	Propane	0.00%	0.00
	PNG	4.25%	32,242.66
	Fugitive emissions	0.36%	2,771.65
	Process based emissions	0.01%	93.69
	Total Scope 1 + Scope 2 emission (in tCO ₂ e)	100%	7,59,456.84
	Total Scope 1 emissions (in tCO ₂ e)	89%	6,75,773.33
Total Scope 2 emissions (in tCO ₂ e)	11%	83,683.50	

Note – Emissions factors for various fuels have been taken from GHG protocol. Emission factor for grid electricity is taken from Central Electricity Authority of India. For emission factor of Di-Acetylene and Propane, US EPA has been referred. Global Warming Potential of various GHG gases have been taken from IPCC AR6 WG-1. All calculations have been as per the methodology provided by GHG Protocol. Operational control approach has been adopted for consolidation of emissions.

TOTAL SCOPE 3 EMISSIONS

Categories	FY2024-25	FY2023-24
Cat 1: Purchased goods and services	7,38,290	7,09,714*
Cat 2: Capital goods	81,477	1,22,306*
Cat 3: Fuel & energy related activities (not in Scope 1 & 2)	58,072	73,741
Cat 4: Upstream transportation and distribution	69,675	14,488
Cat 5: Waste generated in operations	262	836
Cat 6: Business travel	2,423	778
Cat 7: Employee commuting	2,933	1,497
Cat 8: Upstream leased assets	227	183
Cat 9: Downstream transportation and distribution	63,042	46,728
Cat 10: Processing of sold products	2,06,523	1,66,175
Cat 11: Use of sold products	32,85,830	29,55,234
Cat 12: End-of-life treatment of sold products	10,828	14,388
Cat 13: Downstream leased assets	866	398
Cat 15: Investments	17,054	13,738
Total Scope 3	45,37,502	41,20,204

*Note: The GHG emissions calculation methodology for Category 1 & 2 has been updated due to a database change from DEFRA to EXIOBASE.

Particulars	Units	FY 2024-25*	FY 2023-24	FY 2022-23	Growth/Decline rate in FY 2023-24 as compared to FY 2022-23
Nox	mg/Nm ³	131.32	91.12	61.64	44%
Sox	mg/Nm ³	61.14	65.84	112.39	-7%
Particulate Matter	mg/Nm ³	23.4	27.88	41.2	-16%

Particulars	FY 2024-25*	FY 2023-24
ODS emission in tCO ₂ e	2,728	2,803

*Note: Total ODS emissions include emissions from use of CO₂ cylinder use, Diacetylene (DA) Cylinder use, and refrigerants across our operations and have been reported in MT of CO₂ equivalent (tCO₂e).

Change in waste generated across various categories during the reporting period (FY 2024-25) as compared to the previous reporting period (FY 2023-24)

E-waste	93.94% decrease in e-waste generated
Plastic waste	16.26% decrease in plastic waste generated
Other hazardous waste (ETP Waste, MEE Residue, Oily cotton waste, spent oil, paint residues, discarded containers, barrels, and drums, Filter bags, chemical waste, paper chemical bags)	41.65% increase in other hazardous waste generated
Other Wastes (process and non-process related waste)	15.95% decrease in other process and non-process related waste generated

WASTE GENERATED (IN METRIC TONS)

Type of Waste	FY 2024-25	FY 2023-24	FY 2022-23
Plastic Waste	2,030.32	2,424.64	3,113.80
E-waste	14.54	239.81	115.79
Bio-medical waste	0.06	0.02	0.03
Construction and demolition waste	0	0	0
Battery waste	42.15	15.22	12.91
Radioactive waste	0	0	0
Other hazardous waste (ETP Waste, MEE Residue, Oily cotton waste, spent oil, paint residues, discarded containers, barrels, and drums, Filter bags, chemical waste, paper chemical bags)	1,013.63	715.6	511.05
Other Wastes (Process and non-process related waste)	17,393.41	20,692.96	18,252.51
Total waste generated	20,494.11	24,088.25	22,006.09

WASTE RECYCLE AND RE-USE (IN METRIC TONS)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Total Waste Recycled	12,266.38	14,206.23	10,668.07
Total Waste Reused	7,853.3	9,676.87	11,192
Other Recovery Operations	0	0	0
Total waste recycled and reused	20,119.68	23,883.10	21,860.07

WASTE DISPOSAL (IN METRIC TONS)

Particulars	FY 2024-25	FY 2023-24	FY 2022-23
Waste Disposal through incineration	21.24	0	0.03
Waste Disposal to landfill	353.21	205.14	145.99
Total waste disposed	374.45	205.14	146.02

WASTE MANAGEMENT PRACTICES ACROSS OUR OPERATIONS DURING FY 2024-25

Waste Category	Waste Sub-category	Waste Management Process	Where is the waste managed?	Total Quantity (in metric tons)
Plastic		Recycled	Offsite	2,030.32
E-Waste		Recycled	Offsite	14.54
Bio medical waste		Disposal – Landfill	Offsite	0.06
Construction and demolition waste		NA	NA	0.00
Battery waste:		Recycled	Offsite	42.15
Radioactive waste:		NA	NA	0.00
Hazardous waste:				
	ETP Waste (Sludge)	Disposal – Landfill	Offsite	92.47
	MEE Residue	Recycled	Offsite	266.49
	Oily cotton waste	Disposal – Landfill	Offsite	10.94
	Spent Oil	Recycled	Offsite	528.95
	Paint residues	Recycled	Offsite	7.03
	Discarded Containers, barrels and drums	Recycled	Offsite	18.93
	Other hazardous waste not mentioned above (Please specify) (Filter bags)	Recycled and Disposal – Landfill	Offsite	28.45
	Chemical Waste	Recycled and Disposal – Landfill	Offsite	1.65
	Paper Chemical Bags	Recycled	Offsite	38.98
	Rockwool waste	Disposal – Landfill	Offsite	12.22
	Glass Beads / Graphite	Disposal - Incineration	Offsite	0.66
	Waste cutting oils - Used Coolant Oil	Recycled	Offsite	6.85
Other Non-hazardous waste:				
	Process (Non-Hazardous)	Recycled	Offsite	2,673.57
	Non-Process (Non-Hazardous) (inc. Fly Ash)	Reused	Onsite	12,719.84

WATER WITHDRAWAL BY SOURCE (IN MEGALITRES)

Source	FY 2024-25		FY 2023-24		FY 2022-23	
	Water withdrawal	Share in total water withdrawal	Water withdrawal	Share in total water withdrawal	Water withdrawal	Share in total water withdrawal
Surface water	0	0	0	0	0	0
Ground water	168.63	8.08%	190.31	9.83%	337.07	16.82%
Third party water (outsourced water)	1,909.28	91.47%	1,726.22	89.17%	1,641.02	81.89%
Sea water/ Desalinated water	0	0.00%	0	0.00%	0	0.00%
Others/Rainwater	9.37	0.45%	19.45	1.00%	25.88	1.29%
Total Water Withdrawal	2,087.28		1,935.98		2,003.97	

WATER WITHDRAWAL BY SOURCE FROM WATER STRESSED IN MEGALITRES

Source	FY 2024-25		FY 2023-24		FY 2022-23	
	Water withdrawal	Share in total water withdrawal	Water withdrawal	Share in total water withdrawal	Water withdrawal	Share in total water withdrawal
Surface water	0	0	0	0	0	0
Ground water	168.63	8.09%	190.31	9.87%	337.07	16.82%
Third party water (outsourced water)	1742.42	83.58%	1718.85	89.12%	1634.44	81.83%
Sea water/ Desalinated water	0	0.00%	0	0.00%	0	0.00%
Others/Rainwater	7.545	0.36%	19.44	1.01%	25.87	1.30%
Total Water Withdrawal	1918.60		1928.61		1997.39	

WATER DISCHARGED (IN MEGALITRES)*

Source	FY 2024-25	FY 2023-24	FY 2022-23
To surface water	0.0	0	0
To ground water	0.0	0	0
To seawater	0.0	0	0
Sent to third parties	2.44	2.39	2.13
Others (No treatment)		0	0
Total discharge	2.44	2.39	2.13

* Water discharge sent to third parties is classified as Other water (>1,000 mg/L Total Dissolved Solids). No other discharge is reported across any of our units.



GRI Content Index

GRI CONTENT INDEX

Statement of use	Balkrishna Industries Limited has reported the information cited in this GRI content index for the period 1 st April 2024 to 31 st March 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	Pages
GRI 2: General Disclosures 2021	2-1 Organizational details	About the report	10-11
	2-2 Entities included in the organization's sustainability reporting	About the report	10-11
	2-3 Reporting period, frequency and contact point	About the report	10-11
	2-4 Restatements of information	About the report	10
	2-5 External assurance	About the report	11
	2-6 Activities, value chain and other business relationships	About the report	10-19
	2-7 Employees	ESG Databook- Social Performance	198
	2-8 Workers who are not employees	ESG Databook- Social Performance	198
	2-9 Governance structure and composition	Corporate Governance	53-59
	2-10 Nomination and selection of the highest governance body	Corporate Governance	55-57
	2-11 Chair of the highest governance body	Corporate Governance	56
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	55-56
	2-13 Delegation of responsibility for managing impacts	Corporate Governance	55-56
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Stakeholder Engagement and Materiality Assessment	56 36-37
	2-15 Conflicts of interest	Business ethics and compliance	61
	2-16 Communication of critical concerns	Business ethics and compliance	60-61
	2-17 Collective knowledge of the highest governance body	Corporate Governance and Business ethics and compliance	55-57, 62
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	58
	2-19 Remuneration policies	Corporate Governance	64-65
	2-20 Process to determine remuneration	Corporate Governance	58
	2-21 Annual total compensation ratio	ESG Databook- Governance indicators	207
	2-22 Statement on sustainable development strategy	Message from the leadership	6-9
	2-23 Policy commitments	Business ethics and compliance and Policies and undertakings	60-62 64-65

GRI STANDARD	DISCLOSURE	LOCATION	Pages	
	2-24 Embedding policy commitments	Business ethics and compliance and Policies and undertakings	60-62 64-65	
	2-25 Processes to remediate negative impacts	Business ethics and compliance	60-62	
	2-26 Mechanisms for seeking advice and raising concerns	Business ethics and compliance	60-62	
	2-27 Compliance with laws and regulations	Business ethics and compliance ESG Databook- Governance indicators	60-62 207	
	2-28 Membership associations	Corporate Governance	59	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality assessment	36-38	
	2-30 Collective bargaining agreements	Human rights and workforce stewardship	177-178	
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality assessment	36-38
		3-2 List of material topics	Stakeholder Engagement and Materiality assessment	36-38
3-3 Management of material topics		Stakeholder Engagement and Materiality assessment	36-41	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance ESG Databook- Governance indicators	47-49 206	
	201-2 Financial implications and other risks and opportunities due to climate change	Risk management	110-113	
	201-3 Defined benefit plan obligations and other retirement plans	Tax strategy	52	
	201-4 Financial assistance received from government	Economic Performance	48	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Human rights and workforce stewardship	177-178	
	202-2 Proportion of senior management hired from the local community	ESG Databook – Social Performance	203	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Economic Performance	48	
	203-2 Significant indirect economic impacts	Risk Management and Ethical procurement	66-69	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Ethical Procurement	68-69	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business ethics and compliance and ESG Databook – Governance indicators	60-62 207	
	205-2 Communication and training about anti-corruption policies and procedures	ESG Databook- Governance indicators	206	
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics and Compliance ESG Databook- Governance indicators	60-62 207	

GRI STANDARD	DISCLOSURE	LOCATION	Pages
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive Behaviour, anti-trust, and monopoly practices	Business Ethics and Compliance ESG Databook- Governance indicators	60-62 207
	GRI 207: Tax 2019	207-1 Approach to tax	Tax strategy 52
	207-2 Tax governance, control, and risk management	Tax strategy	52
	207-3 Stakeholder engagement and management of concerns related to tax	Tax strategy	52
	207-4 Country-by-country reporting	Tax strategy	52
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainable Strategy and Climate Resilience ESG databook - Environment Indicators	92-96 210
	301-2 Recycled input materials used	ESG Databook – Environment indicators	210
	301-3 Reclaimed products and their packaging materials	Sustainable Strategy and Climate Resilience	92-96, 210
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management ESG databook- Environment Indicators	114-123 210
	302-2 Energy consumption outside of the organization	-	
	302-3 Energy intensity	Energy Management ESG databook - Environment Indicators	114-123 210
	302-4 Reduction of energy consumption	Energy Management	114-123
	302-5 Reductions in energy requirements of products and services	-	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Stewardship	145-146
	303-2 Management of water discharge-related impacts	Water Stewardship	148-151
	303-3 Water withdrawal	Water Stewardship ESG databook - Environment indicators	142-151 214
	303-4 Water discharge	Water Stewardship ESG databook - Environment indicators	142-151 214
	303-5 Water consumption	Water Stewardship ESG databook - Environment indicators	151
GRI 304: Biodiversity 2016	304-1 Operational units owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity protection	152-155
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity protection	152-155
	304-3 Habitats protected or restored	Biodiversity protection	152-155

GRI STANDARD	DISCLOSURE	LOCATION	Pages
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emission Management ESG databook - Environment Indicators	124-131 210-211
	305-2 Energy indirect (Scope 2) GHG emissions	Emission Management ESG databook - Environment Indicators	124-129 210-211
	305-3 Other indirect (Scope 3) GHG emissions	Emission Management ESG databook - Environment Indicators	124-131 210-211
	305-4 GHG emissions intensity	Emission Management ESG databook - Environment Indicators	124-131 210-211
	305-5 Reduction of GHG emissions	Emission Management ESG databook - Environment Indicators	124-131 210-211
	305-6 Emissions of ozone-depleting substances (ODS)	ESG databook - Environment Indicators	212
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	ESG databook - Environment Indicators	212
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste management and circular economy	134-141
	306-2 Management of significant waste-related impacts	Waste management and circular economy	134-141
	306-3 Waste generated	Waste management and circular economy ESG databook - Environment Indicators	134-141 212
	306-4 Waste diverted from disposal	Waste management and circular economy ESG databook - Environment Indicators	134-141 213
	306-5 Waste directed to disposal	Waste management and circular economy ESG databook - Environment Indicators	134-141 213
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Supply Chain ESG Databook- Governance indicators	70-71 209
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain ESG Databook- Governance indicators	70-71 209
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG Databook - Social performance	199-202
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee engagement, training and well-being	172
	401-3 Parental leave	Employee engagement, training and well-being ESG Databook - Social performance	172 203

GRI STANDARD	DISCLOSURE	LOCATION	Pages
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Embracing growth – talent and skill development	169
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safeguarding occupational health and safety	182-187
	403-2 Hazard identification, risk assessment, and incident investigation	Safeguarding occupational health and safety	182-187
	403-3 Occupational health services	Safeguarding occupational health and safety	182-187
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safeguarding occupational health and safety	182-187
	403-5 Worker training on occupational health and safety	Safeguarding occupational health and safety	182-187
	403-6 Promotion of worker health	Safeguarding occupational health and safety	182-187
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safeguarding occupational health and safety	182-187
	403-8 Workers covered by an occupational health and safety management system	Safeguarding occupational health and safety	182-187
	403-9 Work-related injuries	Social performance - ESG Databook	204
	403-10 Work-related ill health	Social performance - ESG Databook	204
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social performance - ESG Databook	203
	404-2 Programmes for upgrading employee skills and transition assistance Programmes	Embracing growth – talent and skill development and Safeguarding occupational health and safety	164-167 184-185
	404-3 Percentage of employees receiving regular performance and career development reviews	Embracing growth – talent and skill development	168
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG Databook - Social performance	203
	405-2 Ratio of basic salary and remuneration of women to men	ESG Databook - Social performance	204
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Embracing Diversity and Inclusion	179-181, 207
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human rights and workforce stewardship	177-178
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Human rights and workforce stewardship	177-178

GRI STANDARD	DISCLOSURE	LOCATION	Pages
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human rights and workforce stewardship	177-178
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	ESG Databook - Social performance	204
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Human rights and workforce stewardship	178
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development Programmes	Community well-being	173-176
	413-2 Operations with significant actual and potential negative impacts on local communities	Community well-being	173-176
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain ESG Databook- Governance indicators	70-71 208
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain ESG Databook- Governance indicators	70-71 208
GRI 415: Public Policy 2016	415-1 Political contributions	ESG Databook- Governance indicators	207
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	-	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Quality & Safety	192-194
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Product Quality & Safety	192-194
	417-2 Incidents of non-compliance concerning product and service information and labelling	Product Quality & Safety	192-194
	417-3 Incidents of non-compliance concerning marketing communications	ESG Databook- Governance indicators	207
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Innovation and Digitization ESG Databook- Governance indicators	71-77 206

TCFD Index

Principle	Recommended Disclosures	Report Chapter	Page Number
Governance Disclose the Company's governance around climate-related risks and opportunities.	Describe the Board's oversight of climate related risks and opportunities.	Climate governance	102-103
	Describe management's role in assessing and managing climate-related risks and opportunities.	Climate governance	102-103
Strategy Disclose the actual and potential impacts of climate related risks and opportunities on the Company's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the Company has identified over the short, medium, and long term.	Climate strategy	104-109
	Describe the impact of climate-related risks and opportunities on the Company's businesses, strategy, and financial planning.	Climate strategy	104-109
	Describe the resilience of the Company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate strategy	104-109
Risk Management Disclose how the Company identifies, assesses, and manages climate related risks.	Describe the Company's processes for identifying and assessing climate-related risks.	Climate risk management	110-112
	Describe the Company's processes for managing climate-related risks.	Climate risk management	110-112
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the Company's overall risk management.	Climate risk management	110-112
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material	Disclose the metrics the Company uses to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics and Targets	113
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Metrics and Targets	113
	Describe the targets used by the Company to manage climate-related risks and opportunities and performance against targets.	Metrics and Targets	113








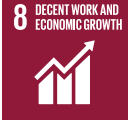

Sustainability Accounting Standards Board (SASB) index





INDUSTRY CATEGORY - AUTO PARTS

Topic	Accounting Metric	Section	Remarks	Page No
Energy Management	TR-AP-130a.1	Safeguarding nature - Environment - TCFD, Energy Performance, Energy Use, Energy Efficiency, Energy Conservation & ESG Databook – Environment Indicators		114-123
	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable			
Waste Management	TR-AP-150a.1	Safeguarding nature - Environment - Resource Efficiency and circular economy, Waste generation and management of related impacts, Waste management and circular economy, Circularity in operations & ESG Databook – Environment Indicators		134-141
	(1) Total amount of waste from manufacturing,			
	(2) percentage hazardous, (3) percentage recycled			
Product Safety	TR-AP-250a.1 Number of vehicles recalled	Product Quality and Safety		212-213 190-192
Design for Fuel Efficiency	TR-AP-410a.1 Revenue from products designed to increase fuel efficiency or reduce emissions	-		
Materials Sourcing	TR-AP-440a.1	Ethical Procurement Sustainable supply chain & Sustainable strategy and climate resilience - Resource Efficiency and Circular Economy		68-71
	Description of the management of risks associated with the use of critical materials			
Materials Efficiency	TR-AP-440b.1 Percentage of products sold that are recyclable	-		
Materials Efficiency	TR-AP-440b.2	Sustainable strategy and climate resilience - Resource efficiency and circular economy & ESG Databook – Governance Indicators		92
	Percentage of input materials from recycled or remanufactured content			
Competitive Behaviour	TR-AP-520a.1 Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	ESG Databook – Governance Indicators		210 207
Activity Metric	TR-AP-000.A Number of parts produced	NA		
Activity Metric	TR-AP-000.B Weight of parts produced	NA		
Activity Metric	TR-AP-000.C Area of manufacturing units	NA		

Mapping with United Nations Sustainable Development Goals (SDGs)

MAPPING WITH UN-SUSTAINABLE DEVELOPMENT GOALS (SDGS)

SDG	Section	Sub-Section	Page No
	Social	--	
	Social	Embracing growth – talent and skill development	164-176
	Social	Embracing growth – talent and skill development	164-176
	Social	Embracing growth – talent and skill development	164-176
	Social	Human rights and workforce stewardship & Embracing a diverse workforce	177-178 179-181
	Environment	Water Performance, Our relationship with Water as Resource, Water Use	142-151
	Environment	TCFD, Energy Performance, Energy Use, Energy Efficiency, Energy conservation	100-123
	Governance	Economic Performance	47-49
	Governance	Business Ethics and Compliance	60-62

SDG	Section	Sub-Section	Page No
	Social	Human rights and workforce stewardship & Embracing a diverse workforce	177-178 179-181
	Social/Environment	Embracing a diverse workforce	179-181
	Governance	Ethical Procurement Sustainable Supply Chain	68-71
	Environment	Emissions Reduction, TCFD, Energy Efficiency, Energy Conservation, Fuel Efficiency & Renewable Energy, Emission Performance, Air emissions	100-133
	Environment	Water consumption and efficiency, Our relationship with Water as Resource, Water Use, Water Management	142-151
	Environment	Resource Efficiency and Circular Economy, Biodiversity Protection, Enhancing biodiversity within our units, Upholding Ecosystem Integrity and Biodiversity across our Supply Chain, Waste Generation and Significant Waste-Related Impacts, Waste Management and Circular Economy, Circularity in operations	134-155
	Governance	Corporate Governance	53-59
	Stakeholder Engagement Social/ Governance	Embracing a diverse workforce	179-181

Acronyms

Short Form	Sub-Section
ABAC	Anti-Bribery and Anti-Corruption
AHU	Air Handling Unit
AI	Artificial Intelligence
AIRIA	All India Rubber Industries Association
ASRS	Automated Storage and retrieval System
ATV	All Terrain Vehicle
APS	Accelerated Policy Scenario
BAVP	Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan
BCC	Bombay Chamber of Commerce
BIS	Bureau of Indian Standards
BMA	Bhiwadi Manufacturers Association
BOD	Board of Directors
CAPEXIL	Chemical and Allied Export Promotion Council of India
CBAM	Carbon Border Adjustment Mechanism
CBFS	Carbon Black Feed Stock Oil
CCUS	Carbon Capture, Utilization and Storage
CDP	Climate Disclosure Project
CEO	Chief Executive Officer
CEMS	Continuous Emissions Monitoring Systems
CGWA	Central Ground Water Authority
CHRO	Chief Human Resource Officer Forum
CII	Confederation of Indian Industry
CMIA	Chambers of Marathwada Industries and Agriculture
CPCB	Central Pollution Control Board
CSR	Corporate Social Responsibility
CMP	Claims Management Portal
CTC	Cost to Company
DEI	Diversity, Equity and Inclusion
DG	Diesel Generator
DET	Diploma Engineer Trainees
DIRI	Dual Certification Programme on Rubber Science and Technology
EBITDA	Earnings before Interest, Taxes, Depreciation, and Amortization
EC	Environment Clearance
EHS	Environment, Health and Safety
EMS	Environmental Management Systems
EPCG	Export Promotion Capital Goods
EPR	Extended Producer's Responsibility
ESG	Environmental, Social and Governance
ETP	Effluent Treatment Plant
ETRTO	The European Tire and Rim Technical Organization
EUDR	The EU Deforestation Regulation

Short Form	Sub-Section
EV/FCEV	Electric Vehicle/Fuel Cell Electric Vehicle
FIEO	Federation of Indian Export Organizations
FIFO	First In, First Out
FRP	Fiber-Reinforced Plastic
FY	Financial Year
GCP	Global Carbon Project
GET	Graduate Engineer Trainees
GHG	Greenhouse Gas
GJ	Gigajoule
GPSNR	Global Platform for Sustainable Natural Rubber
GRI	Global Reporting Initiative
HBD Tank	Hot Blowdown Tank
HIRA	Hazard Identification and Risk Assessment
HDPE	High-Density Polyethylene
HO	Head Office
HP	Horse Power
HPSV	High-Pressure Sodium Vapour
HR	Human Resource
HVAC	Heating, Ventilation, and Air Conditioning
IATF	International Automotive Task Force
ICPEN	International Consumer Protection and Enforcement Network
ICU	Intensive Care Unit
IE1 – IE4	IE1 = Standard Efficiency. IE2 = High Efficiency. IE3 = Premium Efficiency. IE4 = Super Premium Efficiency
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IUCN	International Union for Conservation of Nature
ILO Declaration	ILO Declaration on Fundamental Principles and Rights at Work
IMS	Integrated Management System
INR	Indian Rupee
IPCC	Intergovernmental Panel on Climate Change
IPCC AR6 – WG1	Intergovernmental Panel on Climate Change Sixth Assessment Report – Working Group I
IRSG	International Rubber Study Group
ISO	International Organization for Standardization
IT	Information Technology
Kg/MT	Kilograms per metric ton
KL	Kilolitre
KMP	Key Managerial Personnel
KW	Kilowatt
kWh	Kilowatt per hour
LCA	Life Cycle Assessment
LDP	Leadership Development Programme
LED	Light-Emitting Diode
LPG	Liquified Petroleum Gas
LTIFR	Lost Time Injury Frequency Rate

Short Form	Sub-Section
MDP	Management Development Programme
mg/nm ³	milligrams per normal cubic meter
MEE	Multi-Effect Evaporator
MIDC	Maharashtra Industrial Development Corporation (MIDC)
MIS	Management Information System
ML	Megalitres
MOMS	Manufacturing Operations Management System
MT	Metric Ton
MW	Megawatts
NABL	National Accreditation Board for Testing and Calibration Laboratories
NGRBC	National Guidelines for Responsible Business Conduct
NOx emission	Nitrogen Oxide Emissions
ODS	Ozone-depleting substances
OH&S	Occupational Health and Safety
OPD	Outpatient Department
ORS	Oral Rehydration Solution
OTR	Off the Road Tires
PGD-IRI	Post Graduate Diploma from Indian Rubber Institute
PIP	Performance Improvement Plan
PM	Particulate Matter
PMS	Performance Management System
PNG	Piped Natural Gas
PPE	Personal Protective Equipment
PWD	Person With Disabilities
PLC	Power-line Communication
QCI	Quality Council of India
R-410A, R-32, R-134A, R-22, R-407A, R-404, and R-125	Refrigerants (R-410A (Puron), R-32 (HFC-32), R-134A (Tetrafluoroethane), R-22 (Chlorodifluoromethane or Freon 22), R-407A (blend of R-32, R-125, and R-134A), R-404A (blend of R-125, R-143A, and R-134A), R-125 (Pentafluoroethane))
R&D	Research and Development
RAV	Reactive Absorption Vessel
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RCC	Reinforced Cement Concrete
RMS	Raw Material Store
RO	Reverse Osmosis
SAMPARC	Social Action For Man Power Creation
SAP	Systems Applications and Products in Data Processing
SASB	Sustainability Accounting Standards Board
SCoC	Supplier Code of Conduct (as part of Supplier Manual)
SOP	Safety Operating Procedures
SOx emissions	Sulphur Oxide Emissions
SPCB	State Pollution Control Board
SS filter	Stainless Steel Filter
SSP	Shared Socioeconomic Pathways
STP	Sewage Treatment Plant

Short Form	Sub-Section
STEPS	Stylized Energy System Pathways
TRA	The Tire and Rim Association
TCFD	Task Force on Climate-related Financial Disclosures
TSDF	Treatment, Storage and Disposal Facility
UDHR	Universal Declaration on Human Rights
UNGC	United Nations Global Compact
UN SDG	United Nations Sustainable Development Goals
VAPT	Vulnerability Assessment and Penetration Testing
VFD	Variable Frequency Drive
WBCSD	World Business Council for Sustainable Development
WHRS	Waste Heat Recovery System
WRI	World Resource Institute
WTP	Water Treatment Plant
ZLD	Zero Liquid Discharge

Assurance Statement

BALKRISHNA INDUSTRIES LIMITED



for
Reporting Period:

01st April 2024 – 31st March 2025



Bureau Veritas (India) Private Limited

EcoCenter, EM Block 16th Floor, Unit 1601/2 Bidhan Nagar, Sector V,
Salt Lake, Kolkata, West Bengal 700091

Ref: BV_BKT_SR_19031339

Independent Assurance Statement



Introduction and Objective of Work

BUREAU VERITAS has been engaged by the Balkrishna Industries Limited (hereinafter referred to as “BKT” or the “Company”) to conduct an independent and reasonable assurance of its Sustainability Reporting (hereinafter abbreviated as “SR” or “Report”) for the reporting period from 01.04.2024 to 31.03.2025, based on GRI Indicators.

The verification of GRI Indicators the adopted by BKT under respective plants & Corporate Office and the review of documents and disclosures were conducted at all the Plants of BKT including the Corporate Office as a part of the SR assurance.

The **reporting boundaries** considered for this reporting period are as follows:

A. Corporate Office:

BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013 (Maharashtra)

B. Manufacturing Plants:

Gujarat:

- Bhuj Bhachau Road, S.H.No.42, Village Padhdhar, Taluka Bhuj 370105, District – Kutch (Gujarat): **Tyre, Carbon Black & Mould Manufacturing**

Rajasthan:

- SP-923, RIICO Industrial Area, Phase-III, P.O. Bhiwadi 301019, District- Khairthal- Tijara (Rajasthan): **Tyre Manufacturing**
- A-300-305 & E-306-313 RIICO Industrial Area, Chopanki P.O. Bhiwadi 301707, District – Khairthal- Tijara (Rajasthan): **Tyre Manufacturing**
- Village Soda Mada, Tehsil: Fatehgarh 345027, District – Jaisalmer (Rajasthan): **Wind farm**

Maharashtra:

- F 19/20, Gut no 62, 65, 66, MIDC, Village: Wadgaon Kolhati, Waluj, Chhatrapati Sambhaji Nagar-431 136 (Maharashtra): **Tyre Manufacturing**
- B-66, Waluj MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar 431136 (Maharashtra): **Tyre Manufacturing**
- C-21, M.I.D.C, Phase No. I, Dombivili (E) 421203, District – Thane (Maharashtra): **Mould Manufacturing**
- Plot No. TS- 1, MIDC Phase II, opposite to Don Bosco School Manpada Road, Sagaon, Dombivili (E) 421204 (Maharashtra): **Drum Manufacturing**

The selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of BKT. Bureau Veritas was not involved in the drafting or preparation of the back-up data of the said SR. The responsibility of BV was to provide independent assurance, as described in the scope of assurance.

Intended User

The assurance statement is made solely for “Balkrishna Industries Limited” as per the governing contractual terms and conditions of the assurance engagement contract between “BKT” and “Bureau Veritas”. To the extent that the law permits, we owe no responsibility and do not accept any liability to any other party other than “BKT” for the work we have performed for this assurance report or for the conclusions stated in the paragraph below.

Ref: BV_BKT_SR_19031339

Independent Assurance Statement



Assurance Type and Scope

Bureau Veritas conducted assurance on SR parameters in accordance with the “Type 2 High” as per Accountability Assurance Standard (AA1000 AS) version 3, which is equivalent to “reasonable” assurance as defined in ‘International Standards on Assurance Engagements’(ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015) issued by the International Auditing and Assurance Standards Board ensuring that the information in the report meets key principles of relevance, completeness, materiality, reliability, neutrality, and understandability.

The scope of the engagement, as agreed with BKT, included the review and verification of policies, practices, initiatives, and performance presented in the report. It also involved assessing the underlying management and reporting processes in line with the GRI Parameters and evaluating the report’s adherence to the “in accordance” criteria of these parameters. Furthermore, the verification covered standard disclosures listed in the GRI to ensure transparency and accountability in Sustainability Reporting.

Scope And Boundary of Assurance

Assurance has been provided for selected GRI indicators presented in the SR. The reporting boundary covers data and information across BKT’s offices and Plants as mentioned above, in alignment with the GRI indicators of non-financial disclosures for the period from 1st April 2024, to 31st March 2025, based on the GRI indicators. The assurance process included the verification of sample data and information on selected SR Parameters from all the Plants including Corporate Office.

The Scope of Assurance for GRI Indicators includes:

- An assessment of the procedures or approaches followed for data compilation and reporting of non-financial disclosures of GRI indicators for the above-mentioned locations.
- Testing, on a sample basis, of evidence supporting the data disclosed.
- Verification of the sample data evidence and information on selected GRI Parameters reported at the above-mentioned operations for the defined reporting period.
- Assessment of the suitability between the backup data for the selected GRI parameters of non-financial disclosures and the information presented in SR.
- Completion of assurance statement for inclusion in the report reflecting the verification, findings, and conclusion of the disclosure’s assurance.

List of GRI Indicators verified for the units under the reporting boundary include, but not limited to:

- Employee details
- Training details
- Turnover rate for employees and workers
- CSR details
- Value Chain assessment details
- Environmental monitoring parameters including water, Scope 1, 2 and 3, air emissions, different category of waste, etc.

Ref: BV_BKT_SR_19031339

Independent Assurance Statement



The Methodology Adopted for Assurance

The Bureau Veritas SR assurance process involves specified procedures to obtain evidence regarding the reliability of the data provided by the entity. The nature, timing, and extent of these procedures depend on the data and evidence presented, including the verification of risks associated with the selected SR disclosures and their relevance. While assessing these risks, the internal strategy is considered during report preparation to design the assurance procedures and validate their appropriateness to the fullest extent possible.

As per the scope of assurance, sample evidence, information, and explanations necessary for the assurance process were reviewed. Based on this, the following assessments were conducted:

- Ensuring that the report is prepared in accordance with the Sustainability Reporting parameters, based on the GRI Parameters, applicable to the operations of BKT.
- Evaluating the appropriateness of various assumptions applied by BKT for data estimation.
- Reviewing the report to ensure there is no misrepresentation of disclosures within the defined assurance scope.
- Assessing the systems used for data compilation and reporting based on Universal Disclosures and Topic-Specific Disclosures of material topics outlined in the assurance scope.
- Verifying the systems and procedures for quantification, collation, and analysis of GRI parameters included in the report.
- Examining month-wise data for consistency, reliability, and accuracy.
- Validating selects key performance data based on information from plants, including corporate office:
 - Testing data reliability and accuracy on a sample basis.
 - Assessing the stakeholder engagement process and approach to addressing key topics and concerns as defined in the report.
 - Conducting a reasonable review of the materiality assessment process based on the information provided for the respective plants.
 - Reviewing processes for data collection, compilation, and reporting of GRI Parameters of non-financial performance disclosures.
 - Classifying observations and findings, followed by the issuance of the Assurance Statement.

Sample data were collected to support Bureau Veritas’ conclusions regarding the verified information and data. The assurance process was conducted based on the details available during the review of the all the Plants and Corporate office.

Limitations and Exclusions

The assurance is reasonable to the above-mentioned scope of work and excludes the information relating to:

- Data related to the BKT’s financial performance disclosures.
- Activities and practices followed outside the defined assurance period stated hereinabove.
- Positional statements, expressions of opinion, belief, aim, or future intention by “BKT” and statements of future commitment and any of the statements related to organizational aspects or reputation.

Ref: BV_BKT_SR_19031339

Independent Assurance Statement



- The assurance does not extend to the activities and operations of “BKT” outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with “BKT”.
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.

Alignment with AA1000 Principles

Inclusivity	BKT actively engages with its key stakeholders, including socially responsible investors, value chain partners, government officials, and local community representatives. The company has implemented structured stakeholder engagement processes and regularly undertakes related activities. Additionally, BKT is committed to supporting the local community through various Corporate Social Responsibility (CSR) initiatives.
Materiality	The SR covers the key environmental, social, and economic issues that BKT has identified as most material. These issues were determined through a comprehensive process of stakeholder engagement and dialogue. The materiality assessment took into account both internal evaluations of business risks and opportunities, as well as the perspectives and concerns of stakeholders.
Responsiveness	BKT is actively addressing the issues it has identified as material, reflecting its commitment through relevant policies, objectives, performance indicators, and targets. The company has undertaken several initiatives aimed at providing environmentally responsible services, while also prioritizing occupational health and safety. Additionally, it has implemented appropriate measures for emergency preparedness, control mechanisms, and risk management across its operations.
Impact	Our assessment found no evidence that BKT has failed to monitor, measure, or take accountability for its actions concerning its identified material topics. The company demonstrates a consistent approach to tracking and managing its performance in these areas.

Our Findings

- Nothing has come to our attention to indicate that the non- financial disclosure in the SR based on GRI Parameters are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that BKT has established appropriate systems for the collection, aggregation, and analysis of data on Non-Financial performance disclosures.
- The GRI disclosure in the SR provides a fair representation of the BKT’s activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the BKT and status during the reporting period.

Ref: BV_BKT_SR_19031339

Independent Assurance Statement



Management Responsibilities

BKT is completely responsible for the report contents, identification of material topics, and data reporting structure. The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of “BKT”. Bureau Veritas (BV) was not involved in the drafting or preparation of the report and any other backup data for the reporting period. The responsibility of BV was to conduct independent assurance for the performance of non-financial disclosures as described in the scope of assurance.

The said assessment is properly based on the assumption that the data and information provided in the report are proper and without any discrepancy. Bureau Veritas shall not be held liable or responsible for any type of decision a person or entity would make based on this assurance statement. While reading the assurance statement, stakeholders shall recognize and accept the limitations and scope as mentioned above.

Statement of Independence, Impartiality, and Competence

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social, and Environmental Management with almost 196 years of history in providing independent assurance services. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with “BKT”, its Directors, Management, or officials beyond that required of this assignment. We have conducted this verification independently and there have been no conflict of interest.

Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of SR.

Restriction on use of Our Report

Our assurance report has been prepared and addressed to the Board of Directors of the BKT at the request of the BKT solely to assist the BKT in reporting on the BKT’s SR performance and activities. Accordingly, we accept no liability to anyone, other than the BKT. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

Shankha Suvra
Lead Assurer

Date: 05/09/2025
Place: Kolkata, India



Rupam Baruah
Technical Reviewer

Date: 08/09/2025
Place: Mumbai, India

Ref: BV_BKT_SR_19031339



Balkrishna Industries Limited

CIN: L99999MH1961PLC012185

Registered office: B-66, MIDC, Waluj Industrial Area, Waluj, Chhatrapati Sambhaji Nagar - 431 136, Maharashtra, India

Corporate office: BKT House, C/15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India

Tel: (+91) 22-6666 3800 - **Fax:** (+91) 22-6666 3898 - **e-mail:** shares@bkt-tires.com **Website:** bkt-tires.com



bkt-tires.com