Annexure IV

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L31402AP1985PLC005305
2.	Name of the Company	Amara Raja Energy & Mobility Limited
3.	Year of Incorporation	1985
4.	Registered Office Address	Renigunta-Cuddapah Road, Karakambadi, Tirupati , Andhra Pradesh – 517520
5.	Corporate Address	Terminal A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad – 500032.
6.	Email Address	investorservices@amararaja.com
7.	Telephone	040-23139000
8.	Website	http://www.amararajaeandm.com
9.	Financial Year Reported	2025-26
10.	Name of the Stock Exchanges where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	18,30,25,364 Equity shares of ₹1/- each
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Prashant Tiwari Email : pt1@amararaja.com Phone: 040-23139000
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14.	Name of assessment or assurance provider	Bureau Veritas India Private Limited
15.	Type of assessment and assurance obtained	Reasonable Assurance

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Manufacturing	Manufacturing of Batteries for Automotive and Industrial Applications	83.40
2	Trading	Trading of Batteries for Automotive and Industrial applications	12.71

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17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	Batteries for Automotive and Industrial applications	27201	83.40
2	Trading of Batteries for Automotive and Industrial applications	27201	12.71

III. Operations

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

Location	Number of plants	Number of offices	Total
National	10	16	26
International	0	0	0

19. Markets served by the Company

a. Number of locations

Locations	Number
National (No. of States)	Present across India through Franchisees and dealers
International (No. of Countries)	70+ Countries

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

12.20%

c. Types of customers

ARE&M is a prominent player and technology leader in India's energy storage and mobility sector, serving a diverse and expansive customer base. The company manufactures a wide range of high-performance lead acid batteries & advanced cell chemistry battery catering to both industrial and automotive applications.

Supported by an extensive retail network, ARE&M markets automotive and home UPS/inverter batteries, along with lubricants, under well-established brand names including Amaron®, PowerZone®, Quanta®, Power Stack®, Amaron Volt™, Amaron Brute™, and Amaron Sleek™. These products are widely trusted across various sectors, including automobiles, telecom (covering service providers and tower companies), uninterruptible power supply (UPS) systems, Indian Railways, motive power and material handling, as well as power utilities and other industrial applications.

The Company also has strong strategic OEM partnerships with leading automobile manufacturers and supplies private-label batteries to several reputed brands. In addition to its robust domestic footprint, ARE&M exports its products to multiple countries, supporting its vision of becoming a globally respected leader in energy storage solutions.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	2672	2397	90	275	10
2.	Other than Permanent (E)	36	32	89	4	11
3.	**Total employees (D + E)**	**2708**	**2429**	**90**	**279**	**10**
	WORKERS					
4.	Permanent (F)	8091	6767	84	1324	16
5.	Other than Permanent (G)	6	6	100	0	0
6.	**Total workers (F + G)**	**8097**	**6773**	**84**	**1324**	**16**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	3	3	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**3**	**3**	**100**	**0**	**0**
	WORKERS					
4.	Permanent (F)	32	31	97	1	3
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total workers (F + G)**	**32**	**31**	**97**	**1**	**3**

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	1	17
Key Management Personnel*	2	0	0

* Key Managerial Personnel excludes Chairman & Managing Director as he has been already included under Board of Directors.

22. Turnover rate for permanent employees and workers

	FY26			FY25			FY24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.56	7.64	12.05	10.96	7.22	10.65	13.25	8.08	13.11
Permanent Workers	10.46	7.63	10.00	7.08	7.69	7.17	10.63	8.31	9.6

Note: Turnover rate includes those who leave voluntarily or involuntarily due to dismissal, termination, retirement or death.

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V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	Amara Raja Batteries Middle East (FZE)(ARBME)	Wholly owned subsidiary	100%	No
2	Amara Raja Circular Solutions Private Limited (ARCS)	Wholly Owned subsidiary	100%	No*
3	Amara Raja Advanced Cell Technologies Private Limited (ARACT)	Wholly Owned subsidiary	100%	No*
4	Amara Raja Power Systems Limited (ARPS)	Wholly Owned subsidiary	100%	No*

* Data reported in this BRSR is on standalone basis . However subsidiaries have their own business responsibility initiatives.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹): **13,548.86 Crores**

(iii) Net worth (in ₹): **8,160.75 Crores**

VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY 2025-26			FY 2024-25		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0		0	0	
Investors (other than shareholders)	Yes	0	0		0	0	
Shareholders	Yes#	12	0		9	0	
Employees and workers *	Yes	153	7		179	6	
Customers **	Yes	23	27***		11	4	
Value Chain Partners	Yes	0	0		0	0	

* Incorporated within these figures are the valuable proposals received concerning safety enhancements and improvements in the workplace in safety committee meetings and other forums.

** Only includes complaints lodged in consumer forums

***includes cumulative No. of complaints pending resolution at the close of the year.

1) https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/31?name=%20Shareholders%E2%80%99%20Manual

2) https://www.amararajaeandm.com/Investors/investors-contact#investorscontact-content

Community

A formal grievance redressal mechanism is in place to address concerns raised by communities in relation to both our operations and contractor-led activities. The process is designed to ensure that all feedback and grievances are handled in a timely, respectful and culturally sensitive manner.

Community feedback is proactively gathered through regular stakeholder interactions and engagement initiatives. All grievances are formally acknowledged, evaluated and responded to within defined timelines. The mechanism also provides for escalation in cases where issues remain unresolved. Each grievance undergoes a structured process of investigation, resolution and communication of outcomes to ensure transparency, accountability and continuous community trust.

Investors and Shareholders

The Company has established a robust grievance redressal mechanism for investors and shareholders to ensure transparent, timely and effective resolution of concerns. The mechanism includes a dedicated team and structured processes aligned with applicable SEBI regulations and governance requirements. Queries and grievances relating to financial performance, disclosures, dividend matters and shareholder rights are promptly acknowledged and resolved within stipulated timelines.

Employees and Workers

A formal grievance redressal framework is in place for employees and workers, enabling them to raise concerns and seek resolution without fear of retaliation or discrimination. Regular communication forums with senior leadership foster open dialogue, transparency and employee engagement. In addition, multiple channels are available through HR processes and designated grievance mechanisms to ensure concerns are addressed fairly, confidentially and in a timely manner.

Customers

ARE&M provides multiple accessible channels for customers to raise complaints and queries related to product quality, service, warranty and other customer support matters. Complaints can be registered through a dedicated digital platform i.e., Amaron Konnekt mobile application. In addition, a 24/7 customer helpline ensures continuous support and timely resolution of customer concerns.

Value Chain Partners (Suppliers, Distributors, Channel Partners)

Grievances raised by value chain partners are addressed in line with ARE&M's Supplier Code of Conduct and applicable contractual agreements. Regular engagement platforms, including the Annual Supplier sustainability summit, Annual Channel Partners Meet, promote transparent communication and collaborative resolution of concerns. Any issues raised are escalated to the relevant authorities, investigated appropriately and resolved through a structured and timely process.

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sustainability at ARE&M is guided by a clear understanding of what matters most and to whom. As the organization grows, stakeholder engagement is being strengthened in a more deliberate and structured manner, recognizing the important role that customers, employees, suppliers, investors, and communities play in shaping long-term sustainability and success. Through regular and meaningful interactions, stakeholder expectations are identified, prioritized, and addressed where they matter most. Critical sustainability topics are identified through the materiality assessment process, enabling timely and focused action. This approach helps ensure continued alignment, sharper focus, and responsible growth while keeping the broader long-term perspective in view.

Basis the analysis below are the topics material to us:

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Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health and safety	Risk	Impacts the fundamental right to life and well-being, while also requiring compliance with legal obligations under regulations such as the Factories Act.	ISO 45001-certified occupational health and safety systems, on-site occupational health services, comprehensive medical insurance, implementation of critical risk controls and robust incident response protocols.	Negative
2	GHG Emission Management and Climate change	Risk/ Opportunity	**Risk** Evolving emissions regulations & customer requirements present compliance challenges, while also creating pressure to reduce the overall carbon footprint. **Opportunities** Enhancing operational efficiency and expanding into the lithium-ion battery market offer significant growth potential.	Greenhouse gas accounting in line with GHG Protocol and ISO 14064, implementation of energy efficiency initiatives, adoption of solar energy, and ISO 50001 certification.	Negative/Positive
3	Business Ethics	Risk	Ethical misconduct can result in legal repercussions, damage to reputation, and erosion of stakeholder trust.	Robust Code of Conduct, regular ethics training, and an effective whistleblower mechanism. 100% of our employees are covered by code of ethics training.	Negative
4	Resource Efficiency and Circularity	Risk/ Opportunity	**Risk** Scarcity of natural resources and disruptions in raw material supply chains increase costs and heighten operational risks. **Opportunity** Raw material security, better hedging against RM price and control over quality	Adoption of circular economy practices, increased use of recycled lead, R&D focused on lead optimization, enhanced local sourcing, and development of a new recycling facility under ARCS. ARCS strengthens material security through increased recycling and recovery capabilities, helping reduce dependence on virgin raw materials, mitigate raw material cost pressures, improve supply chain resilience, and support consistent quality and circularity performance.	Negative / Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Product stewardship	Opportunity	Responding to the rising consumer preference for environmentally friendly and sustainable products.	-	Positive
6	Talent Attraction and Retention	Opportunity	Attracting and retaining talent fuels innovation, drives growth, and strengthens overall organizational performance.	-	Positive
7	Corporate Governance	Opportunity	Robust governance promotes transparency, strengthens accountability, and reinforces stakeholder confidence.	_	Positive
8	Innovation and R&D	Opportunity	Innovation strengthens competitive advantage, drives product development, and supports market expansion.	_	Positive
9	Diversity, Equity, Inclusion & Belongingness	Opportunity	Diverse teams foster creativity, improve decision-making, and enhance overall business performance.	_	Positive
10	Geopolitical Risks and Supply Chain Disruptions	Risk	Geopolitical tensions, trade restrictions, logistics disruptions, and volatility in global commodity markets may impact availability and pricing of key raw materials such as lead and other battery components, affecting operational continuity and costs in the lead-acid battery business.	Diversification of supplier base, increased local sourcing, strengthening recycling and circular economy initiatives, strategic inventory planning, long-term supplier partnerships, and continuous monitoring of geopolitical developments to improve supply chain resilience.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
c. Weblink of the policies, if available	ARE&M has the following polices and can be located at web link • Policy on Prevention of Sexual Harassment & Gender-Neutral Workplace Harassment. • No harassment at workplace Policy • Equal Opportunity for employment & diversity Policy • Discrimination & equal opportunities Policy • Archival Policy • Corporate Social Responsibility Policy • Nomination and Remuneration Policy • Code Of Conduct for Directors and Senior Management Personnel • Vigil Mechanism/ Whistle Blower Policy • Dividend Distribution Policy • Code of Fair Disclosure • Materiality Policy • Policy on dealing with Related Party Transactions • Policy on determination of material subsidiary • Health, Safety & Environment Policy • Board Diversity Policy • Supplier Code of Conduct • Dividend Distribution Policy • Anti-Bribery & Anti-Corruption • Human Rights Policy • Community Grievance Management • Employee Grievance Management • Employee Volunteering Policy • Sports & Games Universe Policy • Policy on Succession Planning for the Board & Senior Management. • Shareholders' Manual https://www.amararajaeandm.com/Investors/corporate-governance-policies									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes , the enlisted policies are extended to the Company's Value chain partners through a dedicated supplier code of conduct, ensuring that value chain partners align with the company's environmental , labour and ethical expectations. 100% of our onboarded & existing suppliers have provided signed undertaking for the same. Critical suppliers accounting for 87% of total purchase value are assessed for compliance to our policies, supplier Code of Conduct and on key sustainability performance parameters.								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	ARE&M adopts, complies & is certified against internationally recognized standards to ensure robust management systems and continuous improvement across its operations: • ISO 9001 – Quality Management Systems (QMS) • ISO 14001 – Environmental Management Systems (EMS) • ISO 45001 – Occupational Health and Safety Management Systems (OH&S) • IATF 16949 – Quality Management Systems specific to the automotive industry • ISO 50001 – Energy Management Systems (EnMS) • ISO 27001 – Information Security Management Systems (ISMS) • Signatory to WASH compliance, UNGC principles, & aligned to SBTi In addition to adhering to these standards, ARE&M conducts regular internal and external certification audits to evaluate the effectiveness of its management systems and policies covering all the sites. These audits support continuous improvement, ensure regulatory compliance, and reinforce the company's commitment to operational excellence and sustainability.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The baseline and target year for the following objectives are FY26 & FY27, respectively. **Energy and Carbon *** • Limit the increase in carbon intensity (Scope 1 and Scope 2 emissions) to 3.0% • Limit the increase in energy intensity to 0.54% **Water** • Reduce water Intensity by 5% **Circular Economy** • Reduce waste intensity by 2% • Use of recycled Lead and Lead Alloys in production as 85% • Use of recycled Polypropylene Copolymer in production as 9% • Achieve Extended Producer Responsibility (EPR) targets for Lead Acid Batteries as per the Battery Waste Management Rules (BWMR), 2022 **Life Cycle Assessment** • Complete internal Life Cycle Assessments (LCAs) for 100% of existing & new SKUs. **Safety and Occupational Health** • Maintain a zero-fatality record • Reduce Lost Time Injury Frequency Rate (LTIFR) by 6% • Defensive Driving Training to 90% of employees • Improve Critical Safety Standard Score as per Sust. Index • Conduct leadership safety audits (one per leader per Month) • 3% reduction in Vitality Index score for organisation **People** • Improve gender diversity within the organizatıon to 16.0%. **Communities** • Dining Hall & Study Hall - Facility for Students at Petamitta • Construction of Kitchen, Dining Hall, Arch at Irala Govt. School • Development of Infrastructure facilities at Diguvamagham Educational Complex • Support and Maintenance of Schools • Initiation of STEM Labs (Science, Technology, Engineering and Mathematics) at Mangal Vidyalayam (MV) & Diguvamagham Schools for the classes 6th to 8th *Under a 'do nothing' scenario, our Energy & carbon intensity is projected to increase due to capacity expansion, energy intensive new product plant & process changes. However, with planned energy efficiency initiatives and greater use of renewable energy, we aim to restrict the increase of energy intensity to 0.54% & Carbon intensity to 3.0%.									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	ARE&M has achieved significant progress in its sustainability initiatives: **Energy Intensity:** Our Energy intensity target has not been achieved due to increase in volumes in the plants where the specific energy consumption is higher & Process changes. For e.g. Tubular Batteries Plant, Process changes in Automative Batteries plant. **Carbon Emissions:** Target achieved **Recycled Lead Usage:** The Company has used recycled lead for 88.27% of all lead & lead alloys consumed. **Recycled Polypropylene Copolymer usage:** The Company utilized recycled Polypropylene Copolymer for 8.07% of the total Polypropylene Copolymer consumed during the year. The target could not fully achieved due to operational and market-related constraints during the reporting period. **Battery recycling collection rate:** Overall EPR liability as defined under BWMR, 2022 has been met. **Waste Intensity:** Waste Intensity has reduced by 2.25% against target of 7%. **Waste to landfill:** We have achieved 95.38% reduction in Waste to landfill against target of 60%. This was achieved due to diversion of more than 95% of waste from landfill through pre-processing, where they were converted into AFR (Alternative Fuel and Raw Material) for coprocessing. **Water Conservation:** Water intensity has been reduced by 6.97% against the target of 8%. We maintained our Water Positivity of 11.94 times. **Safety & Occupational Health:** Maintained status as a zero-fatality organization throughout the year. The Company strengthened its safety culture by implementing a Leadership Safety Program and conducting quarterly assessments of critical risks through its sustainability framework standards.Due to these initiatives the LTIFR has reduced from 0.46 in FY 2024-25 to 0.42 in FY 2025-26. **Diversity:** The gender diversity at ARE&M has improved from 13.21% to 14.84%. Diversity targets are included in the business score cards and KRAs of Key Leaders. Organization vide sensitization workshops have been continued. **Community Projects:** Completed 5 CSR Projects.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

Governance, leadership and oversight

7. **Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements**

   At ARE&M, our purpose is to provide better access to better opportunities to more people. Sustainability remains central to our strategy for responsible growth and long-term value creation.

   During FY26, we continued advancing our commitments on Net Zero emissions by 2050, water positivity, circular economy, zero waste to landfill, and safer workplaces. We maintained Zero Liquid Discharge across all manufacturing facilities, sustained 12X Water Positivity and signed the WASH pledge, recycled over 99% of waste generated, and increased recycled lead and lead alloy usage to 88.27% of total input materials. Our 67 MW captive renewable energy capacity helped avoid approximately 73,831 tonnes of CO_2 emissions, supporting our long-term decarbonization roadmap.

   The year was marked by market volatility, supply chain disruptions, changing geopolitics, evolving regulations, and new business requirements, impacting certain sustainability targets. In response, we are recalibrating our Net Zero pathway to align with emerging business realities, future energy needs, and regulatory developments, while remaining committed to our near- and medium-term absolute carbon reduction goals and supporting India's energy and mobility transition.

   Safety and employee well-being remained non-negotiable priorities. We maintained zero fatalities across operations and continued strengthening our safety culture through focused governance, leadership commitment, capability building, and sustained focus on critical risks. Road safety also remained a key priority beyond the workplace, with over 8,500 employees trained in defensive driving and mandatory helmet usage implemented to strengthen work-to-home safety practices.

   We engaged and assessed 87% of our supplier base by purchase value on sustainability parameters and continued working collaboratively to strengthen alignment with the Sustainable Development Goals (SDGs). We also partnered with downstream franchisees to build awareness, measure environmental footprints, define a 10-point sustainability agenda, and develop model sustainability franchisees aligned with our long-term vision.

   Our employees remain our greatest strength. During the year, we launched the Vitality Index (VI) Program, covering annual medical examinations for 98.8% of employees — a record improvement over previous years. The initiative focused on preventive healthcare and lifestyle awareness, encouraging improvements in key health indicators such as BMI, blood pressure, sugar, and cholesterol.

   Our sustainability performance continued to receive strong global and customer recognition. During the year, we improved our S&P Global Corporate Sustainability Assessment score from 74 to 76, ranking #1 in India, #2 in Asia-Pacific, and #5 globally in our sector. We also maintained a CDP Climate rating of 'B', achieved an 'A-' rating in our maiden Water Disclosure, received a 5-Star Rating from the British Safety Council, and attained Zero Waste to Landfill Platinum Certification.

   As we look ahead, we remain committed to integrating sustainability deeper into every aspect of our business through greater renewable energy adoption, expanded value chain decarbonization, Life Cycle Assessments (LCA) across our product portfolio, implementation of a Biodiversity Management Plan, and increased digitalization to strengthen occupational health and safety performance.

   We thank our employees, customers, suppliers, investors, communities, and all stakeholders for their continued trust and partnership as we work together to create long-term sustainable value for society and the environment.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	The implementation and oversight of business responsibility policies at ARE&M are driven by a dedicated leadership team, chaired by Mr. Jayadev Galla, Chairman, Managing Director and CEO, ESG-related matters are regularly reviewed at both leadership and Board-level meetings, ensuring strong governance oversight, executive accountability and sustained strategic focus on sustainability priorities.

<table>
<tr><th>Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</td><td colspan="9">Yes, ARE&M has established an Executive Sustainability Committee to provide strategic direction, governance oversight and leadership for the Company’s sustainability agenda. The Committee plays a critical role in integrating sustainability considerations into business decision-making and ensuring that sustainability priorities are embedded across operations, functions and value chains. Chaired by Mr. Harshavardhana Gourineni, Executive Director, the Committee comprises key C-suite leaders and senior functional heads representing operations, finance, human resources, supply chain, sustainability and business excellence functions. The Committee meets periodically to review progress against sustainability goals, evaluate emerging sustainability risks and opportunities, address implementation challenges and drive continuous improvement across the organization.

Key Responsibilities of the Executive Sustainability Committee include:
• Defining, reviewing and monitoring sustainability KPIs and targets across manufacturing operations, supply chain and business functions
• Reviewing and evaluating ongoing and proposed sustainability initiatives to ensure alignment with ARE&M’s strategic priorities and stakeholder expectations
• Driving climate action, resource efficiency, circular economy and responsible business practices through structured implementation plans
• Strengthening organizational sustainability capabilities through employee awareness programmes, leadership engagement, training initiatives and analysis of emerging sustainability trends and regulations
• Conducting benchmarking and peer-learning exercises to incorporate global best practices, customer expectations, regulatory developments and industry perspectives into ARE&M’s sustainability approach
• Overseeing the development, implementation and continual enhancement of the ARE&M Sustainability Framework and Assurance Protocol to strengthen governance, reporting accuracy and data reliability
• Monitoring sustainability disclosures, ratings and assurance processes to enhance transparency and stakeholder confidence
• Facilitating cross-functional coordination to ensure effective implementation of sustainability projects and timely closure of identified gaps and action plans
• Supporting the organization in identifying innovation opportunities and sustainable technologies that contribute to long-term business resilience and value creation.</td></tr>
</table>

10. Details of review of NGRBCs by the Company:

<table>
<tr><th rowspan="2">Subject for review</th><th colspan="9">Indicate whether review was undertaken by Director/Committee of the Board/any other Committee</th><th colspan="9">Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)</th></tr>
<tr><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>Performance against above policies and follow up action</td><td colspan="18">ARE&M undertakes periodic and need-based internal reviews to assess performance against its policies and identify subsequent actions. These reviews are conducted by key personnel, including Functional Heads, Business Heads, and Executive Directors. The evaluation process focuses on assessing policy effectiveness, with necessary updates and improvements implemented to ensure continued relevance and impact.</td></tr>
<tr><td>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</td><td colspan="18">ARE&M is compliant with all applicable regulations.</td></tr>
</table>

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes, ARE&M has engaged reputed certification and assurance bodies to conduct comprehensive assessments of its policies, systems and operational procedures. Independent third-party agencies, including TÜV NORD and Bureau Veritas, carry out these rigorous evaluations to ensure that the Company's operations consistently adhere to internationally recognized standards of quality, reliability, compliance and operational excellence. Additionally, we conduct quarterly cross business assessments with scoring against our Amara Raja Sustainability Framework standards covering all elements of sustainability.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No) The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) The entity does not have the financial or/human and technical resources available for the task (Yes/No) It is planned to be done in the next financial year (Yes/No) Any other reason (please specify)	While ARE&M does not currently have a standalone Public Advocacy Policy, the Company actively participates in advocacy and industry engagement initiatives that are material to its business operations and the broader energy storage and mobility ecosystem. ARE&M collaborates with leading industry associations, multilateral platforms and sectoral forums to contribute to policy discussions, share industry perspectives and support the advancement of sustainable and responsible business practices across the sector. Key industry bodies and platforms with which the Company engages include: • Indian Battery Manufacturing Association (IBMA) • Auto Component Manufacturers Association (ACMA) • Confederation of Indian Industry (CII) • Recycling and Environment Association of India • United Nations Global Compact (UNGC) • World Economic Forum (WEF) Through these engagements, ARE&M contributes to industry dialogue on key topics such as sustainable mobility, circular economy, battery recycling, energy transition, climate action, responsible sourcing and evolving ESG expectations. In addition, the Company regularly collaborates with statutory and regulatory authorities to provide technical and industry inputs that support the development of effective policies, standards and regulatory frameworks relevant to the battery manufacturing and energy storage sector.								

Section C: PRINCPLE WISE PERFORMANCE DISCLOSURE

Principle 1: **Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.**

Essential Indicator:

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	Leadership Safety, Emerging trends and industry landscape, Sustainability, ESG and Cybersecurity, Manufacturing process training (Plant visit), AI Governance, Digital Transformation and Future Readiness, M&A, Growth opportunities, emerging chemistries, People Transformation, Leadership and Organizational Culture	100
Key Managerial Personnel	6		100
Employees other than Board of Directors and KMPs	506	Trainings related to Functional, Technical, Quality, environment, occupational health & safety, Sustainability, CI&L, TPM, EnMS, Cultural transformation Programme & Wellness programs to enhance the employee skills n competencies to perform better and promote health and wellness	100
Workers	605		100

2. **Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

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

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, ARE&M has established a comprehensive Anti-Corruption and Anti-Bribery Policy to prevent, detect, and address any form of unethical, corrupt, or fraudulent business conduct. Guided by its Code of Ethics, the Company is committed to upholding the highest standards of integrity, transparency, accountability, and ethical behaviour across all its operations in India and overseas.

The policy applies to all employees, directors, and business associates of ARE&M and is integrated into the onboarding process for all new employees, reinforcing a strong culture of ethics, responsible business conduct, and compliance from the outset.

Weblink to the policy :https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/30?name=Anti-Bribery%20&%20

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

	FY2025-26	FY2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest

	FY2025-26		FY2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	_	0	_
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	_	0	_

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

Nil

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

	FY2025-26	FY2024-25
Number of days of accounts payables	45.71	45.44

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

Parameter	Metrics	FY2025-26	FY2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	1.87%	0.35%
	b. Number of trading houses where purchases are made from	12	11
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99.80%	99.99%
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	62.31%	64.65%
	b. Number of dealers / distributors to whom sales are made	2099	2146
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	10.21%	11.31%
Related Party Transactions	a. Purchases (Purchases with related parties as % of Total Purchases)	26.61%	10.75%
	b. Sales (Sales to related parties as % of Total Sales)	0.25%	0.38%
	c. Loans & advances given to related parties (including wholly owned subsidiaries) as % of Total loans & advances	63.34%*	20.16%
	d. Investments in related parties (Wholly owned subsidiaries) as % of Total Investments made	86.39%	79.26%

* includes a loan of ₹120 Cr granted to Amara Raja Power Systems Limited, a wholly owned subsidiary, during FY 2025–26. Excluding this loan, % of loans and advances would be 32.03%.

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
14	• ESG Target Setting • ESG Software Onboarding • Sustainability / ESG Awareness • Sustainability Audit Checklist • BRSR Requirements for Value Chain • Supplier sustainability expectations • Compliance to care – Journey towards People centric Occupational Health • Amara Raja's Sustainability Initiatives	87

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

Yes, ARE&M has instituted a comprehensive Code of Conduct for its Board of Directors and Senior Management, incorporating well-defined principles and procedures for the identification, prevention, and management of conflicts of interest. Individuals covered under the Code are required to adhere to the highest standards of honesty, integrity, accountability, and transparency, thereby strengthening the Company's ethical foundation and minimising risks arising from potential conflicts of interest.

Please refer to the policy at :

https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/14?name=CODE%20OF%20CONDUCT%20FOR%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT%20PERSONNEL

Principle 2: Business should provide goods and services in a manner that is sustainable and safe

Essential Indicator:

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY26	FY25	Details of improvements in environmental and social impacts
R & D	61	70	Reduction in hazardous waste generation, conservation of natural resources, resource use efficiency, reduction in GHG emissions, conservation of water resources, lessening dependence on fossil fuels for mobility, lowered vehicular pollution, fostering a safe and healthy working environment, increased end-user satisfaction with products, increasing safety and reliability of products.
Capex*	2.77	1.54	

*CAPEX investments in specific technologies to improve the environmental and social impacts of products and processes

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

   Yes

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

   ARE&M is progressively implementing its Sustainable Procurement Policy across all suppliers, vendors, and input materials, embedding sustainability considerations throughout its value chain. The policy covers a comprehensive set of parameters, including ethical business practices and integrity, respect for human rights, social responsibility, occupational health and safety, environmental protection, and meaningful engagement with local communities.

   In addition, the policy encourages the adoption of green products, sustainable processes, and resource-efficient practices, while ensuring compliance with quality standards, Good Manufacturing Practices (GMP), and all applicable legal and regulatory requirements. Through this holistic approach, the Company reinforces its commitment to sustainability and responsible business conduct while fostering a resilient, ethical, and future-ready supply chain. Additionally, our procurement processes are continuously reviewed to align with the Supplier Code of Conduct and prevent any potential conflicts with our ESG commitments. This ongoing evaluation ensures that every stage of our procurement strategy remains in sync with our sustainability goals. 100% of our onboarded & existing suppliers with contracts have provided signed undertaking to comply with our sustainable procurement policy and supplier code of conduct.

   Recognizing the importance of internal stakeholders, this year we conducted a full day training program on sustainable procurement for our entire Supply chain management team.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

(a) Plastics (including packaging)	In line with Extended Producer Responsibility (EPR) regulations, ARE&M has prepared and submitted its EPR Action Plan to the Pollution Control Board. The Company is registered as a Brand Owner, reinforcing its commitment to the environmentally responsible management of multilayered plastic (MLP) and other packaging waste generated through its products. Through this framework, ARE&M ensures systematic tracking, collection, recycling, and environmentally sound disposal of plastic waste in accordance with applicable environmental regulations and compliance requirements.
(b) E-waste	The Company is registered as a Brand Owner, enabling it to responsibly manage the end-of-life disposal of HUPS products in accordance with applicable regulatory requirements.

(c) Hazardous waste	The Company has established a closed-loop system for managing lead-based hazardous waste from battery use. Used batteries are collected from dealers and customers across India and are either refurbished or safely recycled, with support from authorized third-party recyclers for material recovery. As part of the Battery Waste Management Rules (BWMR) framework, ARE&M also promotes safe disposal practices through customer awareness initiatives. Recycled lead & lead alloys currently account for approximately 88% of total lead & lead alloys used in new battery production. Additionally, a dedicated lead recycling facility has been set up in Cheyyar, Tamil Nadu, through its subsidiary ARCS. This approach enhances resource efficiency while ensuring regulatory compliance and environmental protection.
(d) Other waste.	No other significant waste streams have been identified.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the Company has developed a formal Extended Producer Responsibility (EPR) Plan, which has been duly submitted to the Pollution Control Board. The plan is aligned with the Company's integrated waste management strategy and ensures compliance with all applicable regulatory requirements.

Leadership Indicators –

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
27201	Automotive Batteries (81 SKUs)	23.21	Cradle to Grave	No*	No
27201	Industrial Batteries (36 SKUs)	5.93	Cradle to Grave	No*	No

* The study was conducted internally using LCA calculator developed with help from Thinkstep Sustainability Solutions Pvt. Ltd (Sphera)

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Automotive & Industrial Batteries	**Abiotic Depletion (ADP fossil):** It is a measure of the use of non-renewable sources as energy for the product lifecycle. The risk essentially flags the dependency of the product lifecycle on non-renewable sources of energy which is concentrated in the product production phase Global Warming Potential (GWP 100 yrs.)- It is a measure of the amount of GHG emissions as a result of the product lifecycle. The risk flags the contribution of the product in global warming or climate change which is concentrated in the product production phase	Increasing the use of renewable energy sources such as solar power at our production sites. Development of captive solar power capacity at our plant locations. Use of recycled lead to the tune of 88% of all lead consumed leading to avoided abiotic depletion. Our energy conservation initiatives have resulted in decrease in our Energy intensity. Increasing the use of renewable energy sources such as solar power at our production sites Development of captive solar power capacity at our plant locations Our energy conservation initiatives have resulted in decrease in our Energy intensity.

Name of Product / Service	Description of the risk / concern	Action Taken
	Blue-water consumption: It is a measure of the amount of blue-water (freshwater from surface & ground sources) consumed during the product lifecycle essentially providing us with a footprint of the product. The risk flags the potential scarcity of blue water that can result from excessive consumption during the product life cycle mostly concentrated in the production phase	Zero Liquid Discharge systems commissioned at all our facilities leading to an increase in effluent recycling rate & reduction in freshwater Consumption Rainwater harvesting structures for the collection & usage of rainwater as an alternative source replacing freshwater ETP optimization done to reduce the amount of auxiliary water required for ETP operations

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

Indicate input material (By Weight)	Recycled or re-used input material to total material	
	FY2025-26	FY2024-25
Recycled Lead	88.27	85.32
Recycled Plastics*	8.07*	11.35

*Recycled plastic use has decreased due to product mix and operational factors during the reporting period.

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

	FY2025-26			FY2024-25		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	_	_	_	_	_	_
E-waste	_	_	_	_	_	_
Hazardous waste (Batteries)	_	1,49,082	_	_	1,36,286	_
Other waste	_	_	_	_	_	_

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Used Batteries	Automotive - 74%, Industrial - 33% (As per BWMR, 2022)

Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains

Essential indicators:

1. A. Details of measures for the well-being of employees:

Category	Total (A)	Health insurance Number (B)	Health insurance % (B/A)	Accident insurance Number (C)	Accident insurance % (C/A)	Maternity benefits Number (D)	Maternity benefits % (D/A)	Paternity benefits Number (E)	Paternity benefits % (E/A)	Day Care facilities Number (F)	Day Care facilities % (F/A)
	% of employees covered by										
Male	2397	2397	100	2397	100	-	-	2397	100	2397	100
Female	275	275	100	275	100	275	100	-	-	275	100
Total	**2672**	**2672**	**100**	**2672**	**100**	**275**	**10**	**2397**	**90**	**2672**	**100**
Other than Permanent employees											
Male	32	32	100	32	100	-	-	32	100	32	100
Female	4	4	100	4	100	4	100	-	-	4	100
Total	**36**	**36**	**100**	**36**	**100**	**4**	**11**	**32**	**89**	**36**	**100**

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

Category	Total (A)	Health insurance Number (B)	Health insurance % (B/A)	Accident insurance Number (C)	Accident insurance % (C/A)	Maternity benefits Number (D)	Maternity benefits % (D/A)	Paternity benefits Number (E)	Paternity benefits % (E/A)	Day Care facilities Number (F)	Day Care facilities % (F/A)
	% of workers covered by										
Male	6767	6767	100	6767	100	-	-	6767	100	6767	100
Female	1324	1324	100	1324	100	1324	100	-	-	1324	100
Total	**8091**	**8091**	**100**	**8091**	**100**	**1324**	**16**	**6767**	**84**	**8091**	**100**
Other than Permanent Workers											
Male	6	6	100	6	100	-	-	6	100	6	100
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**6**	**6**	**100**	**6**	**100**	**-**	**-**	**6**	**100**	**6**	**100**

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

	FY2025-26	FY2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.056%	0.075%

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

Benefits	FY2025-26 No. of employees covered as a % of total employees	FY2025-26 No. of workers covered as a % of total workers	FY2025-26 Deducted and deposited with the authority (Y/N/N.A.)	FY2024-25 No. of employees covered as a % of total employees	FY2024-25 No. of workers covered as a % of total workers	FY2024-25 Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	6	80	Y	5.4	77.5	Y

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3. **Accessibility of workplaces**

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

ARE&M is committed to creating an inclusive, equitable, and accessible workplace for all employees and workers, irrespective of physical ability. In line with the Rights of Persons with Disabilities Act, 2016, the Company is continuously strengthening accessibility measures across its facilities and operations.

As part of this commitment, ARE&M is progressively implementing accessibility-focused infrastructure and workplace enhancements at its plants and office locations, further reinforcing its dedication to fostering a diverse and inclusive work environment.

4. **Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

ARE&M is firmly committed to its Equal Opportunity Policy in accordance with the Rights of Persons with Disabilities Act, 2016. The Company ensures that all qualified individuals are provided equal opportunities for employment, development, and career advancement based solely on merit, without discrimination on the basis of physical or mental ability, caste, creed, gender, race, colour, religion, socioeconomic background, or personal identity.

The Company's Human Resources recruitment and selection processes are structured to promote fairness, inclusivity, and equal access to opportunities for all candidates, including persons with disabilities.

The Equal Opportunity Policy is publicly available at: https://www.amararaja.com/code-of-ethics/

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate%	Retention Rate%	Return to work rate%	Retention Rate%
Male	100	94	100	98
Female	100	88	100	100
Total	100	93	100	100

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers Other than permanent workers Permanent employees Other than permanent employees	Yes, ARE&M has established a formal Grievance Redressal Mechanism for employees and workers, administered through the Human Resources (HR) function. The mechanism is supported by multiple communication channels to ensure accessibility, transparency, and effective resolution of concerns. Employees and workers may raise grievances directly with designated HR representatives, either verbally or in writing. All grievances are systematically documented, reviewed, and addressed through a structured and time-bound resolution process. In addition, the Company fosters a culture of open communication through regular Company Communication Meets, Plant Communication Meets, and Open Forums, which serve as safe and inclusive platforms for employees and workers to share feedback, express concerns, and engage constructively with leadership.

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

Category	FY2025-26			FY2024-25		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	2672	40	1.50	2588	43	1.66
- Male	2397	38	1.59	2363	41	1.74
- Female	275	2	0.75	225	2	0.89
Total Permanent Workers	8091	29	0.36	7608	31	0.41
- Male	6767	28	0.41	6485	30	0.46
- Female	1324	1	0.08	1123	1	0.09

8. Details of training given to employees and workers:

Category	FY2025-26					FY2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
				Employees						
Male	2397	2397	100	2397	100	2363	2363	100	2363	100
Female	275	275	100	275	100	225	225	100	225	100
Total	**2672**	**2672**	**100**	**2672**	**100**	**2588**	**2588**	**100**	**2588**	**100**
				Workers						
Male	6767	6767	100	6767	100	6485	6485	100	6485	100
Female	1324	1324	100	1324	100	1123	1123	100	1123	100
Total	**8091**	**8091**	**100**	**8091**	**100**	**7608**	**7608**	**100**	**7608**	**100**

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
			Employees			
Male	2397	2397	100	2363	2363	100
Female	275	275	100	225	225	100
Total	**2672**	**2672**	**100**	**2588**	**2588**	**100**
			Workers			
Male	6767	6767	100	6485	6485	100
Female	1324	1324	100	1123	1123	100
Total	**8091**	**8091**	**100**	**7608**	**7608**	**100**

10. Health and Safety Management System:

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

Yes, ARE&M has implemented a formal Occupational Health & Safety Management System (OHSMS) aligned with the ISO 45001 standard. The system is uniformly deployed across all manufacturing and operational locations, ensuring consistent and standardized safety practices across the organization. The OHSMS is further strengthened through the implementation of the Amara Raja Sustainability Framework consisting of critical risk standards like Work at Height, Confined space entry, permit to work system, Isolation safety, Crane & lifting, Forklift truck safety etc. These standards integrate health, safety, environmental and employee well-being considerations into day-to-day operations, risk management processes and continuous improvement initiatives. This integrated approach enables the Company to foster a strong safety culture, enhance workplace resilience and drive sustainable operational excellence across all sites.

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

ARE&M follows a structured Hazard Identification and Risk Assessment (HIRA) methodology across all its operations to proactively identify workplace hazards, evaluate associated risks and implement effective mitigation measures. The Company adheres to international standards for Hazard Identification and Risk Assessment, which form the foundation of its enterprise-wide risk management practices. Depending on the complexity and criticality of activities, ARE&M undertakes qualitative and quantitative risk assessments using globally recognised methodologies and tools. These assessments are carried out by cross-functional teams comprising representatives from operations, maintenance, engineering and safety functions, ensuring a comprehensive evaluation of process, equipment and behavioural risks. Based on identified risks, robust operational controls and mitigation measures are implemented to ensure safe, reliable and uninterrupted operations.

Each manufacturing site maintains a comprehensive HIRA register that serves as a dynamic and continuously updated repository of identified hazards, associated risks and control measures. These registers are periodically reviewed and updated to reflect operational changes, process modifications, technological advancements and emerging risks, thereby ensuring the continued effectiveness of the risk management process.

The Company's comprehensive safety management system is anchored in clearly defined Standard Operating Procedures (SOPs), stringent work permit systems and critical safety controls designed to manage both routine and high-risk activities. These SOPs are periodically reviewed and strengthened based on audit findings, incident learnings, operational feedback and workforce inputs to ensure ongoing relevance and effectiveness.

Non-routine and potentially high-risk activities are governed through a robust Permit to Work (PTW) system, supported by detailed Job Safety Analysis (JSA) prior to commencement of work. This process ensures that hazards are systematically identified, responsibilities are clearly defined and appropriate preventive and protective controls are implemented to safeguard employees, contractors and surrounding operations.

The Company's documented emergency preparedness and response framework further strengthens operational resilience through emergency response procedures, mock drills and crisis management protocols. Safety performance, incident trends, audit observations and critical risks are systematically reviewed through monthly Health, Safety & Environment (HSE) Council meetings to drive continual improvement and strengthen preventive risk management practices. In line with the Amara Raja Sustainability Framework, ARE&M integrates occupational health and safety considerations into its broader sustainability and operational excellence agenda.

The Company places strong emphasis on fostering a proactive safety culture through mandatory safety inductions, continuous capability-building programs, behavioural safety initiatives and periodic skill gap assessments for employees and contract workers. Regular safety audits, workplace inspections and compliance reviews are conducted across facilities to identify improvement opportunities and ensure timely implementation of corrective and preventive actions.

Through these integrated initiatives, ARE&M continues to strengthen employee well-being, operational discipline and sustainable business performance across all locations.

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

Yes, ARE&M promotes a strong culture of proactive safety communication and employee participation, encouraging employees and workers to actively identify and report hazards, unsafe conditions and near-miss incidents through both structured and informal engagement channels. These include Near misses and Unsafe action / condition reporting channel, safety Committee meetings, routine safety rounds, leadership interactions, behavioural safety observations and GEMBA walks, which facilitate open dialogue on workplace safety and strengthen accountability across all levels of the organization.

ARE&M also places significant emphasis on safety awareness, competency development and behavioural reinforcement through a wide range of training and engagement initiatives. These include comprehensive induction programmes for employees and contractors, toolbox talks, classroom training sessions, mock drills, technical workshops and expert-led webinars. An annual training calendar, developed based on periodic skill gap assessments and operational risk profiles, ensures continuous capability-building and enhancement of safety competencies across the organization, thereby fostering a resilient and safety-conscious workforce.

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

Yes. ARE&M is committed to safeguarding the health, safety and overall well-being of its employees and workers through a comprehensive occupational health and wellness framework. The Company's healthcare initiatives are designed to provide timely medical support, promote preventive healthcare and strengthen both physical and mental well-being across all operational locations.

To ensure effective emergency preparedness and rapid medical response, ARE&M has established well-equipped Occupational Health Centres (OHCs) across its manufacturing facilities, supported by trained medical professionals, nursing staff and emergency response teams. Advanced life support systems, emergency care infrastructure and ambulance facilities are available at key locations to provide immediate medical intervention and safe transportation during emergencies. As part of its continuous improvement initiatives, the Company has also upgraded its OHC infrastructure and medical equipment to enhance diagnostic capability, employee care and emergency response readiness in alignment with evolving occupational health standards.

ARE&M provides comprehensive medical insurance and accident coverage for employees, offering financial protection and healthcare support for employees and their families during medical emergencies. Regular health surveillance and periodic medical check-ups are conducted to monitor employee health, identify occupational health risks at an early stage and promote preventive healthcare practices. Specialized health monitoring programs are also implemented for employees exposed to specific occupational risks, ensuring compliance with applicable occupational health standards and regulatory requirements.

In line with the Amara Raja core values, the Company adopts a holistic approach towards employee wellness by integrating physical, mental and emotional well-being into its people practices. ARE&M's Employee Well-being & Assistance initiatives like AR Buddy program provide access to counselling and support services to help employees manage personal and professional stressors effectively. The Company also conducts wellness awareness programmes, health campaigns, fitness initiatives, stress management sessions and expert-led webinars to foster a healthy, engaged and resilient workforce. In addition, occupational health was repositioned as a strategic priority by integrating a personal vitality component into the Annual Medical Examinations (AMEs), reinforcing a more holistic approach to employee well-being. At Amara Raja, we believe that the health and well-being of our people are the foundation of our collective success. Guided by our People First philosophy, we recognize that a productive, resilient, and thriving workforce begins with healthy individuals — creating a positive impact that extends to families and society at large. We believe that our overall health is significantly influenced by four key controllable factors: Blood Pressure, Blood Sugar, BMI, and Bad Cholesterol. Together, these form your 4Bs — the core indicators that define our Vitality Index. Regularly monitoring these parameters helps us identify early warning signs and make simple lifestyle adjustments that keep us healthy, energized, and future ready. Our motto is simple: Every Amararajaian should know their 4Bs and understand the levels at which they become "High Care" indicators.

The Vitality Index part of our Annual Medical Examination serves as our organizational health mirror, encouraging every Amararajaian to stay aware, take ownership, and make informed choices towards a healthier and more fulfilling life.

As part of the Vitality Index initiative, a BMI (Body Mass Index) monitoring station has been set up and inaugurated by the Canteen Committee in the Head Office cafeteria. This encourages employees to regularly check their BMI and take proactive steps toward better health.

Through these integrated healthcare and wellness initiatives, ARE&M continues to strengthen employee care, workplace well-being and organizational resilience while reinforcing its commitment to creating a safe, healthy and supportive work environment for all stakeholders.

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

Safety Incident /Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.19	0.20
	Workers	0.50	0.55
Total recordable work-related injuries	Employees	1	1
	Workers	8	8
No. of fatalities	Employees	0	0
	Workers	0	0
	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Workers	0	0

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

Category	Description
Amara Raja Sustainability Framework Standards	Development and implementation of Sustainability Framework standards which include critical safety risk standards, with quarterly assessments and performance scoring to ensure continuous improvement.
Hazard Identification & Risk Assessment (HIRA)	Robust HIRA framework in place to proactively identify hazards and implement effective risk mitigation measures.
Work Permit & Energy Isolation	Structured Work Permit System ensures safe execution of non-routine and high-risk activities. Lockout-Tagout (LOTO) practices are implemented to isolate energy sources during maintenance activities.
Safety Drills & Emergency Preparedness	Our emergency response and fire safety infrastructure consists of two advanced fire tenders & two advanced Emergency Response Vehicles (ERVs) at HO & ARGC locations apart from fire extinguishers deployed across the sites. In addition, 13 oscillating monitors have been installed at the Head Office and ARGC to enhance firefighting capability. Regular emergency response drills and mock evacuation exercises are conducted to enhance preparedness for potential emergencies.
Inspection & Audit	Routine inspections of engineering controls, lifting equipment, tools, and pressure vessels are conducted by certified personnel, supported by periodic internal safety audits.
Workplace Monitoring	Continuous monitoring of workplace conditions including illumination, noise levels, and ventilation to ensure a safe working environment.
Behaviour-Based Safety (BBS)	Behaviour-Based Safety programmes are implemented across all sites to encourage proactive and peer-driven safety practices. Leadership safety workshops are conducted focused on Visible Felt Leadership in Safety.
Safety Committees	Regular Safety Committee meetings are held to review incidents, identify improvements, and strengthen accountability across functions.
Corporate HSE Council	Corporate HSE Council provides strategic oversight and governance on health, safety and environmental performance across the organization, driving the implementation of Sustainability framework standards, reviewing critical risks and incident trends, and guiding continuous improvement initiatives.
Training & Awareness	Comprehensive training programmes including inductions, toolbox talks, classroom sessions, refresher training, and leadership safety training are conducted regularly. Additionally, trainings specific to Amara Raja Sustainability Framework standards are conducted for implementation as well as internal assessor teams.
Occupational Health Centre	24x7 Occupational Health Centres with ALS ambulances are operational at key locations to provide immediate medical support and promote preventive healthcare.

Category	Description
Ventilation & Air Quality	Robust ventilation and air quality management systems across our facilities through engineered ventilation controls, dust and fume extraction systems, continuous monitoring and regular maintenance practices to ensure a safe, healthy and comfortable working environment for employees and workers.
Road Safety	At ARE&M, road safety is a key aspect of our commitment to employee well-being and responsible operations. Guided by our Road Safety Policy, we promote a strong safety culture through awareness, accountability, and safe driving practices. Our Road Safety Champions actively conduct Defensive Driving Training (DDT) programmes and regular compliance checks to reinforce adherence to helmet and seatbelt safety requirements. During the year, a total of 8,892 employees underwent Defensive Driving Training (DDT), reflecting our continued commitment towards achieving 100% training coverage for all vehicle owners across the organisation.

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

	FY2025-26			FY2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	115	6	-	106	4	
Health & Safety	38	1	-	73	2	

Note: The figures include suggestions received by the Company pertaining to safety improvements and workplace enhancement initiatives. The Company has established a robust and transparent reporting framework with multiple communication channels, including regular toolbox talks. In addition, periodic Health, Safety, and Environment (HSE) Council meetings are conducted to review and discuss key health and safety matters.

14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions*	

* The assessments also covered elements of environment management system and risks.

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

At ARE&M, safety is a core value and an integral pillar of our business strategy. We are committed to providing a safe, healthy, and sustainable workplace through a proactive and structured approach focused on incident prevention, risk mitigation, and continual improvement in workplace safety performance. We recognize that effectively addressing safety-related incidents and mitigating significant risks are critical to protecting our employees and strengthening our Zero Harm culture.

Our safety governance framework is built on the following key pillars:

- Incident investigation and organizational learning
- Identification and mitigation of unsafe acts and conditions
- Management of significant risks and concerns arising from safety assessments
- Leadership engagement and accountability towards safety excellence
- Enhancement of workplace health and employee well-being

ARE&M adopts a systematic approach to incident prevention and risk management through the following initiatives:

Incident Investigation and Learning:

- Root Cause Analysis (RCA) is conducted for all safety incidents to identify underlying causes and opportunities for improvement.
- Key learnings are communicated across locations through RED Corner notices to proactively prevent recurrence of similar risks.
- Corrective and preventive actions, including process improvements and engineering controls, are implemented and monitored through CAPA reports.
- Periodic audits and effectiveness reviews are carried out to ensure the sustainability and effectiveness of corrective measures.

Addressing Unsafe Acts and Conditions:

- Unsafe acts and conditions are identified through structured observations, inspections, and near-miss reporting mechanisms.
- Defined timelines are established for closure of corrective actions, with regular follow-up audits to ensure effective risk mitigation and compliance.

Safety Leadership and Ownership:

- Senior leadership actively participates in safety walkthroughs, reviews, and audits, reinforcing accountability and strengthening the organization's safety culture.
- Employees are empowered to exercise stop-work authority in unsafe situations and are encouraged to openly communicate safety concerns without fear of reprisal.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   ARE&M provides comprehensive life and accident insurance coverage to employees and workers, reinforcing financial security and social protection for their families.

   The Group Term Life Insurance (GTLI) policy covers all employees from the date of joining and provides a benefit equivalent to 36 months of gross salary in the event of death during service. In addition, the Group Personal Accident (GPA) policy offers coverage against accidental death, permanent or partial disability, and temporary total disability.

   Further strengthening its employee welfare framework, the Company also operates a Benevolent Fund that extends financial assistance to regular employees and their families in cases of retirement, critical illness, disability, or death.

2. **Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

   ARE&M promotes responsible and ethical business practices across its value chain through the implementation of its Supplier Code of Conduct (SCoC). The SCoC establishes clear expectations for all suppliers, contractors, and business partners to comply with applicable labour laws, Human rights standards, occupational health and safety standards, environmental regulations, and other regulatory requirements.

   As part of this commitment, suppliers are required to uphold fair labour practices, provide safe and healthy working conditions, and ensure compliance with all statutory and regulatory obligations relevant to their operations. Suppliers are also mandated to maintain adequate records and supporting documentation as evidence of compliance, enabling greater transparency, traceability, and accountability across the supply chain.

   Through annual assessments, capability building programs, and compliance reviews, ARE&M works collaboratively with its partners to strengthen governance standards, mitigate risks, and foster a sustainable and responsible supply chain ecosystem.

3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2025-26	FY2024-25	FY2025-26	FY2024-25
Employees	0	0	0	0
Workers	0	0	0	0

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

Yes. ARE&M is committed to supporting employees beyond their active years of service by facilitating continued employability, financial well-being, and a smooth transition into retirement through structured awareness and capability-building programmes. The Company adopts a proactive approach to retirement preparedness by equipping employees with the knowledge and resources required to make informed financial and post-retirement decisions.

As part of these efforts, ARE&M conducts financial literacy and financial market awareness sessions in collaboration with banking and financial experts. These programmes are designed to help employees—particularly those approaching retirement—understand investment fundamentals, financial planning strategies, risk management, and government-backed savings and pension schemes that support long-term financial security.

In addition, employee awareness programmes are organized to educate employees on various retirement and social security benefits available to them. These sessions cover key topics such as the Superannuation Scheme (SAS), gratuity, provident fund (PF), benevolent fund, leave encashment, insurance benefits, and other post-retirement entitlements. Employees are also guided on claim processes, documentation requirements, and effective financial planning for life after retirement.

Through these initiatives, ARE&M reinforces its long-term commitment to employee welfare by promoting financial empowerment, enhancing retirement readiness, and ensuring employees transition into post-employment life with greater confidence and security.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	87
Working Conditions	87

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

In line with its commitment to responsible sourcing and sustainable supply chain management, ARE&M regularly conducts audits, assessments, and performance reviews of its suppliers, contractors, and service partners. These evaluations are aimed at ensuring compliance with the Company's Supplier Code of Conduct and applicable statutory requirements related to occupational health and safety, labour practices, environmental management, and ethical business conduct.

Periodic compliance audits and site assessments are carried out to evaluate adherence to defined safety standards, working conditions, employee welfare practices, and regulatory obligations across the value chain. The Company also engages with suppliers to strengthen awareness, improve compliance capabilities, and promote continual improvement in operational and sustainability performance.

Wherever gaps or non-conformities are identified, corrective and preventive action plans are developed and closely monitored for 100% of the assessed suppliers to ensure timely remediation and effective closure. Follow-up reviews and verification mechanisms are implemented to assess the effectiveness of corrective measures and minimize the likelihood of recurrence.

During the reporting period, no significant risks or major concerns were identified with respect to the health and safety practices or working conditions of value chain partners. This reflects ARE&M's robust supplier engagement framework, strong governance processes, and proactive approach towards building a resilient, responsible, and compliant supply chain ecosystem.

Principle 4: **Business should respect the interests of and be responsive to all its stakeholders**

Essential indicators

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

At ARE&M, stakeholder identification and engagement are treated as strategic and continuous processes that enable the Company to proactively understand, evaluate, and respond to the evolving expectations of individuals and groups who influence, or are impacted by, its operations and business decisions. This approach supports transparent governance, sustainable growth, and responsible value creation across the organization.

The stakeholder identification process begins with defining the purpose and scope of stakeholder analysis in alignment with the Company's business objectives, sustainability priorities, and Sustainability commitments. ARE&M systematically identifies stakeholders who are directly or indirectly affected by its operations, or who have the ability to influence the Company's performance and long-term success. These stakeholders are broadly categorized into internal groups, such as employees and management, and external groups, including customers, investors, suppliers, communities, regulators, industry bodies, and other business partners.

Following identification, stakeholders are prioritized based on factors such as their level of influence, degree of interest, business impact, and relevance to the Company's strategic priorities. ARE&M actively seeks to understand stakeholder expectations, concerns, and feedback through structured engagement mechanisms including surveys, consultations, meetings, audits, feedback platforms, and regular interactions.

Insights gathered through these engagements are integrated into a formal stakeholder engagement framework to ensure consistent, transparent, and meaningful communication. The framework helps strengthen trust, enhance collaboration, support informed decision-making, and address material sustainability and business issues effectively.

ARE&M's stakeholder engagement approach is dynamic and periodically reviewed to reflect evolving business environments, regulatory developments, emerging risks, and changing stakeholder expectations. This enables the Company to remain responsive and adaptive while fostering inclusive participation, accountability, and responsible decision-making across its operations and value chain.

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

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/Funders/ Shareholders	No	Quarterly results, Annual Reports, Earnings call, Analyst meet, press releases, website, Email, newspaper advertisement, intimation to stock exchanges, Annual General Meetings and investor meetings / conferences	Quarterly, Annually and Need based	Business performance, updates, strategic plans, compliance disclosures
Vendors/Suppliers/ Contractors/sellers	No	Business meetings, Supplier meets, Sustainability workshops	Frequent and need based	Business discussions, supplier awareness and training , sustainability programmes

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Business meetings, Franchisee visits & trainings, Customer surveys , advertisements, publications, website, App, Social Media	Frequent and need based	Product launches, customer satisfaction, grievance redressal, service support, product health checks
Local Communities	Yes	Rajanna Foundation, Krishnadevaraya Educational and Cultural Association (KECA), Community meetings, Newspapers	Frequent and need based	CSR project implementation, community expectations and feedback management
Employees	No	Intranet, Company Communication, communication meet, Open Houses, Notice Boards, Internal Mobile App, Internal Chatbot	Intranet: Daily Newsletters, Quarterly, Emails & company communication – As and when required	Employee engagement activities, training, awareness and welfare programmes

Leadership Indicators

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

At ARE&M, we believe that continuous and meaningful engagement with stakeholders is fundamental to responsible business conduct, transparency, and long-term value creation. The Company actively fosters open dialogue with its stakeholders and integrates their feedback into strategic decision-making processes across economic, Sustainability dimensions.

ARE&M's leadership team engages with stakeholders through multiple platforms and structured engagement mechanisms to understand evolving expectations, address concerns, and strengthen trust-based relationships. Feedback received from stakeholders is carefully evaluated and considered in shaping the Company's policies, sustainability priorities, and operational strategies.

To strengthen governance and institutionalize stakeholder engagement, ARE&M has constituted dedicated Board-level and management committees focused on key areas of business responsibility and sustainability:

Sustainability Committee:

The Sustainability Committee plays a pivotal role in driving the Company's sustainability agenda and overseeing performance across Environmental, Social, and Governance (ESG) parameters. The Committee reviews safety, health, environmental, and sustainability-related initiatives, while guiding the implementation of policies, frameworks, and strategic actions that promote responsible and sustainable business practices across the organization.

Corporate Social Responsibility (CSR) Committee:

The CSR Committee is responsible for formulating and recommending CSR policies and initiatives to the Board. It oversees the planning, implementation, and monitoring of CSR programmes, including budget allocation and expenditure, ensuring alignment with the Company's commitment towards inclusive growth, social development, and community well-being.

Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee oversees investor-related services and statutory compliance requirements pertaining to shareholders and security holders. The Committee monitors matters related to dividend payments, investor grievances, communication processes, and the performance of Registrar and Transfer Agents (RTAs), thereby strengthening transparency, responsiveness, and trust in investor relations.

Further reinforcing its commitment to stakeholder engagement, ARE&M provides shareholders with opportunities to interact directly with the Board during the Annual General Meeting (AGM). This platform facilitates transparent communication, encourages constructive dialogue, and enables the Company to remain responsive

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to the evolving needs, priorities, and expectations of its stakeholders.

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

Yes. Stakeholder engagement forms a fundamental pillar of ARE&M's ESG strategy and sustainability governance framework. The Company follows a structured and systematic approach to ensure that stakeholder perspectives are effectively integrated into business decision-making, policy development, and long-term sustainability planning.

The process begins with the identification of key stakeholder groups and an assessment of their expectations, concerns, and areas of interest. ARE&M engages with stakeholders through various formal and informal channels to gather insights on issues that are material to both business performance and sustainable value creation.

As part of its ESG management approach, the Company conducts materiality assessments to evaluate the significance and potential impact of environmental, social, and governance issues on business operations, stakeholder trust, and long-term organizational resilience. These assessments are further benchmarked against applicable regulatory requirements, evolving industry practices, global sustainability frameworks, and emerging ESG trends to ensure alignment with best practices and stakeholder expectations.

Insights and feedback received through stakeholder engagement are systematically incorporated into policy enhancements, sustainability initiatives, risk management practices, and strategic ESG priorities. ARE&M also establishes measurable goals and monitors progress against defined targets through periodic reviews and governance mechanisms.

Through continuous engagement and formal feedback processes, the Company ensures that stakeholder perspectives remain integral to the ongoing refinement and strengthening of ARE&M's sustainability strategy, enabling a more inclusive, transparent, and future-focused approach to responsible business growth.

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

ARE&M's Corporate Social Responsibility (CSR) initiatives are focused on creating sustainable social impact and improving the quality of life of underprivileged, marginalized, and vulnerable communities located around its operational facilities. Guided by a community-centric approach, the Company regularly engages with local stakeholders through on-ground interactions and consultations conducted by CSR personnel to understand community needs, gather feedback, and address concerns in a timely and effective manner. These initiatives are primarily implemented through the Rajanna Foundation and are centred around key areas of social development and community empowerment.

Primary Healthcare

ARE&M is committed to strengthening access to quality healthcare services for underserved communities. Through its healthcare initiatives, the Company provides primary healthcare support to nearly 17,000 beneficiaries, including children, women, senior citizens, and economically disadvantaged groups who have limited access to essential medical services. The programmes focus on preventive healthcare, basic medical assistance, health awareness, and improving overall community well-being.

Education

Under the Amara Raja Educational Society (ARES), the Company operates three CBSE-affiliated schools located at Karakambadi, Petamitta, and Diguvamagham in the Tirupati and Chittoor districts of Andhra Pradesh. These institutions provide quality education and holistic development opportunities to more than 5,000 children from marginalized and vulnerable communities, contributing to long-term social progress through inclusive and accessible education.

Skill Development and Employability

The Amara Raja Skill Development Centre (ARDC), established in 2014, focuses on enhancing employability and livelihood opportunities for rural youth through industry-relevant skill development programmes. The initiative aims to empower young individuals with technical and vocational capabilities that support sustainable, non-migratory employment opportunities within their local regions.

Environment and Social Forestry

ARE&M promotes environmental sustainability and ecological restoration through initiatives focused on soil conservation, afforestation, and vegetation regeneration. The Company's social forestry programmes contribute to biodiversity conservation and ecosystem improvement while also supporting tribal and forest-dependent communities by enhancing access to forest-based resources that are essential for sustaining their livelihoods.

Through these initiatives, ARE&M continues to strengthen its commitment towards inclusive growth, community development, environmental stewardship, and sustainable socio-economic progress.

Principle 5: **Business should respect and promote human rights**

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2025-26			FY2024-25		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	2672	2672	100	2588	2588	100
Other than Permanent	36	36	100	44	44	100
Total Employees	**2708**	**2708**	**100**	**2632**	**2632**	**100**
Workers						
Permanent	8091	8091	100	7608	7608	100
Other than Permanent	6	6	100	0	0	0
Total Workers	**8097**	**8097**	**100**	**7608**	**7608**	**100**

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

Category	FY2025-26					FY2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	2397	-	-	2397	100	2363	-	-	2363	100
Female	275	-	-	275	100	225	-	-	225	100
Other than Permanent										
Male	32	-	-	32	100	39	-	-	39	100
Female	4	-	-	4	100	5	-	-	5	100
Workers										
Permanent										
Male	6767	-	-	6767	100	6485	-	-	6485	100
Female	1324	-	-	1324	100	1123	-	-	1123	100
Other than Permanent										
Male	6	-	-	6	100	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

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

a. The details are provided below:

Particulars	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	31,47,64,830	1	37,00,000
Key Managerial Personnel*	3	2,04,84,226	0	0
Employees other than BoD and KMP	2,429	6,78,216	279	6,03,114
Workers	6,773	3,00,384	1,324	2,73,576

* Includes MD & CEO, who is also part of Board of Directors.

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	12.09	9.7

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

Yes, ARE&M has established a robust governance framework to uphold and protect human rights across its operations and value chain, with a clear zero-tolerance approach towards any form of human rights violation, discrimination, harassment, forced labour, child labour, or unethical treatment. The Company is committed to conducting its business in a manner that respects the dignity, rights, and well-being of all individuals and aligns its practices with globally recognized human rights principles, international standards, and industry best practices.

The Company's commitment to human rights is embedded within its Code of Ethics and Human Rights Policy, which clearly articulate expectations related to fair treatment, equal opportunity, non-discrimination, freedom of association, safe working conditions, and ethical business conduct. These policies apply across employees, contractors, suppliers, and other business partners, reinforcing responsible and inclusive workplace practices throughout the organization.

To strengthen governance and accountability, ARE&M has constituted a designated Internal Complaints Committee (ICC) along with structured grievance redressal and internal audit mechanisms to identify, address, and monitor human rights-related concerns, complaints, and potential red flags. Employees and stakeholders are encouraged to report concerns through accessible and confidential channels without fear of retaliation.

As a signatory to the United Nations Global Compact (UNGC), ARE&M aligns its human rights approach with internationally accepted principles and follows established processes for human rights due diligence, risk assessment, and compliance monitoring. During the reporting year, human rights risk assessments were conducted across all manufacturing plants to identify potential risks, evaluate workplace practices, and strengthen preventive controls and mitigation measures.

All reported concerns and grievances are thoroughly investigated through a fair and transparent process, and appropriate corrective, remedial, and disciplinary actions are implemented wherever required. Through these measures, ARE&M continues to foster a respectful, inclusive, and ethically responsible work environment while reinforcing its commitment to sustainable and responsible business conduct.

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

ARE&M has established a comprehensive and multi-layered grievance redressal framework to ensure the fair, transparent, timely, and confidential resolution of human rights-related concerns across the organization. The framework is designed to promote a respectful, inclusive, and trust-based work environment while reinforcing accountability and ethical conduct at all levels.

The Company's Grievance Redressal Policy enables employees and workers to raise concerns related to workplace practices, employee welfare, discrimination, harassment, or other human rights issues through structured and accessible channels. The policy aims to ensure prompt and impartial resolution of grievances, thereby fostering employee engagement, workplace harmony, and a performance-driven organizational culture.

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ARE&M has implemented a robust Prevention of Sexual Harassment (POSH) Policy supported by a duly constituted Internal Complaints Committee (ICC). The ICC is empowered to receive, investigate, and address complaints related to workplace harassment while ensuring confidentiality, impartiality, fair hearing, and protection against retaliation for complainants and witnesses.

To further strengthen ethical governance and employee confidence, ARE&M has established multiple reporting and escalation mechanisms, including confidential whistleblower channels and safeguards against victimization or non-recrimination for individuals raising concerns in good faith. Where appropriate, mediation and counselling support are also provided to facilitate resolution and employee well-being.

The Company periodically reviews and enhances its grievance management and human rights frameworks to ensure continued alignment with evolving legal requirements, regulatory expectations, and internationally recognized human rights principles and best practices.

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

The details are provided below:

	FY2025-26			FY2024-25		
	Filed during the year	**Pending resolution at the end of the year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of the year**	**Remarks**
Sexual Harassment	0	0	–	0	0	–
Discrimination at workplace	0	0	–	0	0	–
Child Labour	0	0	–	0	0	–
Forced Labour/ Involuntary Labour	0	0	–	0	0	–
Wages	0	0	–	0	0	–
Other Human rights related issues	0	0	–	0	0	–

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

	FY2025-26	FY2024-25
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Female employees / workers	0	0
iii) Complaints on POSH as a % of female employees / workers	0	0
iv) Complaints on POSH upheld	0	0

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

ARE&M maintains a strict zero-tolerance approach towards all forms of workplace discrimination, harassment, intimidation, or unfair treatment and is committed to fostering a safe, respectful, and inclusive work environment for all employees and workers. The Company has established robust governance mechanisms and safeguards to ensure fair treatment, protect employee rights, and maintain the dignity and well-being of all individuals throughout the grievance redressal process.

Employees are encouraged to report incidents or concerns related to harassment, discrimination, unethical conduct, or inappropriate workplace behaviour through accessible and confidential reporting channels without fear of retaliation or prejudice. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ARE&M has constituted an independent Internal Complaints Committee (ICC) to investigate complaints of sexual harassment in a fair, neutral, and transparent manner while ensuring due process and procedural integrity.

To further strengthen impartiality and accountability within the grievance management system, the Company has also established an Ombudsperson mechanism to support objective review and resolution of employee concerns. ARE&M strictly prohibits any form of retaliation, victimization, discrimination, or adverse action against individuals who report concerns in good faith or participate in investigations.

The confidentiality and privacy of complainants, respondents, and witnesses are maintained throughout the investigation and resolution process to safeguard dignity and trust. The Company's grievance redressal framework also encourages resolution through constructive dialogue, mutual respect, and conciliatory approaches, wherever appropriate, while ensuring fairness, transparency, and adherence to applicable legal and ethical standards.

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

Yes, ARE&M's Supplier Code of Conduct (SCoC) embeds human rights principles and responsible business practices into its engagement framework with vendors, suppliers, contractors, and other value chain partners. The SCoC sets clear expectations for ethical conduct, fair labour practices, workplace safety, non-discrimination, and respect for human rights across the supply chain.

The Code is aligned with internationally recognized frameworks and standards, including the Core Conventions of the International Labour Organization (ILO), the United Nations Universal Declaration of Human Rights, and the principles of the United Nations Global Compact (UNGC), in addition to applicable national labour laws, social compliance requirements, and regulatory obligations.

Through the implementation of the SCoC, ARE&M seeks to promote ethical sourcing, strengthen accountability, mitigate human rights risks, and foster a responsible, transparent, and sustainable value chain ecosystem.

10. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100
Forced Labour/Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Other- please specify	NA

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

Throughout FY2026, ARE&M continuously monitored its operations and did not identify any significant risks or major concerns across its business activities. The Company remains committed to maintaining high standards of governance, operational excellence, and responsible business conduct across all functions.

As part of its proactive and responsible management approach, ARE&M continues to strengthen its oversight mechanisms through regular monitoring, periodic audits, compliance reviews, and risk assessment processes. These measures enable the Company to identify emerging risks at an early stage, ensure timely corrective actions, and drive continual improvement across its operations and value chain.

Leadership Indicators

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

ARE&M adopts a responsive and adaptive approach to human rights management. Following the resolution of grievances or complaints, the Company undertakes necessary improvements to existing processes or introduces new protocols to prevent recurrence of similar issues. For instance, if a grievance or assessment identifies concerns related to workplace practices such as working hours, health & safety, or employee welfare, the Company strengthens internal controls through revised procedures, enhanced monitoring mechanisms, and targeted awareness programmes.

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

ARE&M undertakes a structured human rights due diligence process across its operations and value chain to systematically identify, assess, and mitigate potential human rights risks and impacts. The framework encompasses key areas such as labour practices and working conditions within the Company and its supplier network.

During the year, the Company conducted a third-party human rights assessment covering all manufacturing plants, while human rights assessment of critical suppliers was undertaken as part of the annual supplier sustainability assessment process. The due diligence framework is implemented across operational locations, manufacturing facilities, value chain partners, and other high-risk activities, ensuring a comprehensive, proactive, and risk-based approach to human rights management and mitigation.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the company ensures accessibility in all relevant areas.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	87
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

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

During the assessments improvements were suggested on Operation controls efficacy & effectiveness, document control & record keeping. However, no significant risks/concerns were identified.

Principle 6: **Business should respect and make efforts to protect and restore the environment.**

Essential indicators

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

Parameter	FY 2025-26	FY 2024-25
From renewable sources (In Giga Joules)		
Total electricity consumption (A)	3,74,354	3,97,338
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**3,74,354**	**3,97,338**
From non-renewable sources (In Giga Joules)		
Total electricity consumption (D)	13,07,800	11,42,717
Total fuel consumption (E)	33,621	28,569
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	**13,41,421**	**11,71,286**
Total energy consumed (A+B+C+D+E+F)	**17,15,774**	**15,68,625**

Parameter	FY 2025-26	FY 2024-25
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) GJ/INR Cr.	126.64	126.45
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)*	2575.86	2893.18
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd	

* PPP factor of 20.34 has been sourced from IMF database. https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

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

No

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

Parameter	FY2025-2026 (Current Financial Year)	FY2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	11350	10908
(ii) Groundwater	945240	930558
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	22.12	34
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	956612	941500
Total volume of water consumption (in kilolitres)	956612	941500
Water intensity per Rupee (Total water consumption / Revenue from operations)	70.60	75.89
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP*)	1436.00	1736.51
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd	

* PPP factor of 20.34 has been sourced from IMF database. https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

4. Provide the following details related to water discharged:

Parameter	FY2025-26	FY2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0

Parameter	FY2025-26	FY2024-25
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	**0**	**0**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd	

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

Yes, the company has installed Effluent Treatment Plants (ETPs) at all units to manage wastewater from production processes. To ensure complete reuse, Zero Liquid Discharge (ZLD) systems with capacities of 280 KLD and 500 KLD have been implemented. These ZLD plants feature a pretreatment system for hardness reduction, followed by Reverse Osmosis process, and further treatment using a Multiple Effect Evaporator (MEE) and Agitated Thin Film Dryer (ATFD). In-house sewage treatment facilities, equipped with reuse water pools, enable the reuse of treated wastewater for horticultural purposes. During the year 4,93,923 KL of process wastewater was treated and recycled for process use and 2,54,935 KL of domestic wastewater was treated and reused for gardening purpose.

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

Parameter	Unit	FY2025-26	FY2024-25
NO_x	-	NA	NA
SO_x	-	NA	NA
Particulate matter (PM)	MT	143.0	150.1
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	Mg/Nm3	0-0.53	0-1.73
Others – please specify Mercury, Cadmium, Chromium etc.	_	-	_
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd		

Above data is as per air emission monitoring requirement given in consent for operations

7. Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2025-26	FY2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	7,185	6,816
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	2,57,927	2,30,765
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent / INR Crore revenue	19.57	19.15

Parameter	Unit	FY2025-26	FY2024-25
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP*)	Metric tonnes of CO2 equivalent/INR Crore revenue	398.05	425.62
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	–	–
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	–	–
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd		

* PPP factor of 20.34 has been sourced from IMF database. https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

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

Renewable Energy Adoption: ARE&M has strengthened its renewable energy portfolio by installing 47.5 MW of offsite solar power capacity along with 19.5 MW of rooftop solar installations across its operations. This strategic transition towards clean energy reflects the Company's commitment to reducing dependence on conventional fossil fuel-based electricity and advancing its decarbonization journey in alignment with global climate action goals and sustainability commitments. The renewable energy share in ARE&M's overall energy mix continues to contribute to the reduction of Scope 2 greenhouse gas emissions associated with purchased electricity consumption. Our 67 MW captive renewable energy capacity contributes 21.82% to our overall energy mix, enabling us to avoid 73,831 tCO_2e of carbon emissions during the year.

Energy Efficiency Optimization: To optimize operations and reduce our environmental footprint, we have implemented several energy efficiency initiatives, including:

- Formation conveyor modification
- Grid casting Wet Scrubber control panel Upgradation from contractor to SCR control system
- Melt pot Heaters replacement with 10 Kw to 17.5 Kw Three phase heaters
- Oxide Plant cylinder caster to ball storage Silo conveyer Automation
- Replacement of Contactors with Strip Casting
- Ball Mill Bag House Screw motor contactor replacement with drive
- Ball Mill Air Consumption Reduction From 6 Bar to 4 bar
- Machine wise modification of compressor air Pipelines & Reduction of overall Compressor Set Point
- VFD for 60 HP Dust Collection system for pasting DCS
- Capacity utilization Enhancement in Pasting, Oven, assembly & formation sections.

These initiatives with many others collectively resulted in energy savings of **53.52 Lakh units**, with a cost saving of ₹ **3.48 Crore.** Through these actions, we have avoided **3,800 TCO_2e** in carbon emissions.

GHG Reduction Targets and Tracking: ARE&M aims for net-zero emissions by 2027, with specific medium-term targets aligned to SBTi for Scope 1, 2, and 3 emissions reductions by 2032. Progress is tracked regularly.

Circular Economy and Waste Recycling: Our sustainable procurement programme has led to 88% of raw materials (Lead & Lead Alloys) being sourced from recycled content and ensures 100% EPR compliance, reducing landfill waste and Scope 3 emissions.

Value chain Engagement and Capacity Building: ARE&M engages value chain partners including suppliers and franchisees through sustainability initiatives and training, promoting low-carbon practices and ESG transparency, and conducting ESG assessments for critical suppliers and franchisees.

Afforestation and Carbon Sequestration: The Company has planted over 84,552 saplings planted on-site and an additional 72,750 in surrounding communities thereby enhancing biodiversity, creating carbon sinks, and improving local ecosystems and groundwater recharge.

EV Adoption: As part of the organization's sustainability and green mobility initiative, conventional diesel-operated food transportation vehicles have been replaced with Electric Vehicles (EVs) for internal and external food distribution activities. The project aims to reduce carbon emissions, air pollution, fuel consumption, and overall environmental impact while promoting clean and sustainable transportation practices within facility management operations. Further strengthening this commitment, EV charging infrastructure has been installed at the Terminal A office to support the transition to electric mobility, and an Electric Vehicle (EV) bus has been deployed at the Hyderabad office for employee transportation. These initiatives collectively contribute to the organization's efforts to advance low-carbon mobility solutions and foster a more sustainable transportation ecosystem.

Fuel Switch: As part of the organization's sustainability and energy-efficiency initiative, conventional LPG-based cooking systems and diesel boilers used in kitchen operations were replaced with induction cooking systems.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,952.66	1,987.09
E-waste (B)	5.92	4.06
Bio-medical waste (C)	0.16	0.18
Construction and demolition waste (D)	0	0
Battery waste (E)	4,833.22	3,680.38
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	16,792.82	16,526.40
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5,787.29	5,375.15
Total (A+B + C + D + E + F + G + H)	**29,372.07**	**27,573.26**
Parameter		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	2.17	2.22
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP*)	44.14	50.85
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	29,203.68	25,873.37
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**29203.68**	**25,873.37**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	93.48	77.54
(ii) Landfilling	74.91	1622.19
(iii) Other disposal operations	-	-
Total	**168.39**	**16,99.73**
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd	

* PPP factor of 20.34 has been sourced from IMF database. https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

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

ARE&M has established a comprehensive waste management framework focused on safe handling, regulatory compliance, and efficient monitoring. The Company follows a structured segregation process to distinctly manage hazardous and non-hazardous waste streams, with all waste stored in clearly labelled containers and moved to designated temporary storage areas equipped with appropriate pollution control systems. Waste disposal is undertaken exclusively through authorised recyclers and transporters in accordance with the Hazardous Waste Management Rules, 2020, ensuring full compliance with applicable regulations. Further strengthening its waste governance practices, ARE&M maintains a dedicated waste registry to systematically monitor and document the generation, handling, transportation, and disposal of all categories of waste.

During the year the company has achieved Zero Waste to Landfill (ZWTL) status for FY 2026 and certified in Platinum category by third party Bureau Veritas India Private Limited covering ETP sludge and ZLD MEE/ATFD salts. More than 95% of these wastes were diverted from landfill through pre-processing, where they were converted into AFR (Alternative Fuel and Raw Material) for coprocessing, every ton generated and dispatched during the year is supported by traceable, documented evidence, making the certification externally verified, independently auditable, and globally credible.

Category-wise Waste Handling

Waste Category	Management Practice
Plastic Waste	Recyclable stretch films are used for packaging, and plastic components in batteries are largely recyclable. Post-use plastic waste is channelled to authorised recyclers in accordance with the Plastic Waste Management Rules. ARE&Mhas conducted trials to eliminate virgin plastic with compostable plastic. ARE&M has been using virgin plastic for the packaging of its Industrial Batteries across multiple ratings. To eliminate the Plastic from the packaging, ARE&M is identifying potential opportunities to replace the virgin plastic with compostable plastic.
E-Waste	All electronic waste generated is disposed of through CPCB-authorised recyclers in compliance with applicable e-waste management regulations.
Biomedical Waste	Managed in accordance with the Bio-Medical Waste Management Rules, with proper documentation and tracking maintained in the waste registry.
Non-Hazardous Waste	Materials such as wood, scrap paper, packaging materials, and metal scrap are recycled through authorised vendors and agencies.

ARE&M actively advances Extended Producer Responsibility (EPR) across used batteries, plastic waste, and e-waste, underscoring its commitment to environmental stewardship and regulatory compliance. Through collaborations with authorised recyclers and collection partners, the company ensures the safe collection, recycling, and responsible disposal of post-consumer waste—reducing environmental impact and supporting a circular economy. During the year 88.27% of our input (Lead & Lead Alloys) was secondary recycled material.

The R&D team continuously works on improving material efficiency, extending product life cycles, and reducing the consumption of lead and acid in battery manufacturing. Collectively, these initiatives strengthen the circular economy approach while ensuring compliance with environmental safety standards and regulatory requirements.

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

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, ARE&M is in adherence to all relevant environmental laws, regulations, and guidelines				

Leadership Indicators -

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

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

(i) Name of the area – Not Applicable. According to CGWA classification, our manufacturing units are not located in ‘Critical’ or “Overexploited’area.

(ii) Nature of operations – Not Applicable. According to CGWA classification, our manufacturing units are not located in ‘Critical’ or “Overexploited’

(iii) Water withdrawal, consumption and discharge in the following format:

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

Parameter	FY 2025-26	FY 2024-25
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd	

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

Parameter	Unit	FY2025-26	FY2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,59,705*	4,51,864
Total Scope 3 emissions per rupee of turnover	Metric tons of CO2 equivalent/INR Cr	33.93	36.42
Total Scope 3 emission intensity kg CO2/T of Cementitious material	-	-	-
Note: Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, Bureau Veritas India Private Ltd		

*For the current year we have reported two additional scope 3 categories - Use of Sold Products & Franchises contributing to 1.57% of total revenue. Reported emissions under Use of Sold Products currently cover two automotive battery models assessed through product-level LCA methodology for FY26 and do not represent the full product portfolio. The assessment scope will be progressively expanded in subsequent reporting cycles. The total reported categories as per GHG Protocol are 10.

3. **With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Zero Liquid Discharge (ZLD) Systems	Installed 780 KLD ZLD plants to treat and recycle 100% of industrial wastewater. Includes Reverse Osmosis (RO), Multiple Effect Evaporators (MEE), and Agitated Thin Film Dryers (ATFD).	Eliminated wastewater discharge; reduced freshwater consumption
2	Rainwater Harvesting & Check Dams	Built 12 check dams (1.43 million kL storage) and internal ponds (559,758 kL capacity) to harvest rainwater. Assured by Bureau Veritas.	Achieved Water Positivity Ratio of 11.94 (replenished 12x water consumed).
3	Paddle Dryers for Sludge Management	Deployed steam-heated paddle dryers (200 kg/hour capacity) to reduce sludge moisture from 60% to 10%.	Reduced sludge weight by 55%, minimized landfill waste and leachate generation.
4	Solar Energy Adoption	Installed 47.5 MW offsite solar and 19.5 MW rooftop solar to replace grid electricity.	Reduced Scope 2 emissions; increased renewable energy share in total consumption. Lead to an avoidance of 73831 Tonnes of CO_2 equivalent.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
5	LPG Reduction in ZLD Plant	Optimised RO3 reject recirculation and added RO4 stage to reduce LPG consumption in ZLD operations.	Cut LPG use by 62% (from 605,220 kg to 225,931 kg annually), saving ₹285 lakhs/ year.
6	Laser Dust Monitors	Installed real-time laser dust monitors to track airborne lead levels, ensuring compliance with OSHA limits (50 µg/m³).	Reduced employee exposure to lead dust; improved workplace safety.
7	Three-Step Hand Wash Solution	Implemented a lead-removal protocol using specialised solutions (Delead, Sodium Sulphide, H_2O_2).	Enhanced lead removal efficiency by 85%, minimizing occupational health risks.
8	Supplier ESG Assessments	Evaluated 31 key suppliers through on-site assessments; Ensured corrective & preventive action plans.	Improved supplier ESG awareness & compliance
9	Franchisee Engagement	Engaged with 68 franchisees through trainings and assessments.	Improved franchisee ESG awareness & compliance
10	Energy efficiency initiatives	As mentioned above in Principle 6 under section 7	Improvement in energy intensity

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

ARE&M has established a robust Business Continuity Plan (BCP) to strengthen operational resilience and ensure continuity during potential disruptions. The framework encompasses critical areas such as human resources, physical infrastructure, and key IT systems. A comprehensive "shock playbook" outlines defined response protocols for a range of emergency situations, including natural disasters, cyberattacks, and system outages. To minimise operational interruptions, critical applications are mirrored at a dedicated Disaster Recovery (DR) site, supported by periodic data backups and redundant network connectivity to maintain high system availability. Additionally, email and domain servers are protected through proactive monitoring, preventive controls, and rapid response mechanisms.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

During the reporting period, ARE&M did not identify any significant adverse environmental impacts arising from its value chain activities. Nevertheless, the Company maintains a proactive and preventive approach to managing potential environmental risks across its supply chain.

As part of this commitment, ARE&M has established robust supplier sustainability requirements, mandating that suppliers, vendors, and franchisee partners adhere to environmental standards that meet or exceed applicable regulatory obligations. Through its sustainable procurement framework, the Company promotes environmentally responsible sourcing practices and integrates environmental considerations into supplier evaluation and selection processes.

ARE&M also encourages its value chain partners to monitor, manage, and disclose key environmental parameters, including greenhouse gas (GHG) emissions, carbon dioxide (CO_2), sulphur oxides (SOx), nitrogen oxides (NOx), and particulate matter emissions. These initiatives support enhanced environmental performance across the value chain and contribute to the Company's broader sustainability and climate-related objectives.

7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?

87%

8. How Many green credits have been generated or produced

a	By the listed entity	NIL
b	By the top ten (in terms of value of purchase and sales respectively) value chain partners	NIL

Corporate Overview

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

Essential indicators

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

The company is a member of 11 trade and industry chambers/associations.

b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)	State
3	Federation of Indian Export Organisation (FIEO)	National
4	Engineering Export Promotion Council (EEPC)	National
5	Employers' Federation of Southern India (EFSI)	National
6	Recycling and Environment Industry Association of India	National
7	IESA - Customised Energy Solutions India Pvt Ltd	National
8	Auto Component Manufacturers Association(ACMA)	National
9	Indian Battery Manufacturers Association (IBMA)	National
10	United Nations Global Compact	International
11	World Economic Forum (WEF)	International

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

Name of the authority	Brief of the case	Corrective action taken
There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.		

Leadership Indicators

1. **Details of public policy positions advocated by the Company:**

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available

While ARE&M does not have a standalone Public Advocacy Policy, the Company actively contributes to policy development and industry advancement through its participation in various trade associations, industry chambers, and multi-stakeholder platforms. During the reporting period, ARE&M was associated with 11 industry bodies, including eight national-level associations, one state-level association, and two international organizations. These engagements provide opportunities to contribute to discussions and advocacy efforts on issues relevant to the energy storage sector, sustainable mobility, recycling, environmental management, and other areas material to the Company's business.

Key industry affiliations include the Indian Battery Manufacturing Association (IBMA), the Auto Component Manufacturers Association (ACMA), and the Recycling and Environment Industry Association of India (REIAI). At the national level, the Company actively engages with the Confederation of Indian Industry (CII), while its international participation includes global initiatives and platforms such as the United Nations Global Compact (UNGC) and the World Economic Forum (WEF). In addition to these memberships, ARE&M maintains regular engagement with government agencies, regulatory authorities, and policymakers, enabling it to provide industry perspectives and contribute constructively to the development of policies, regulations, and standards relevant to its operations and the broader industry ecosystem.

Principle 8: **Businesses should promote inclusive growth and equitable development.**

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

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

S. no	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
No rehabilitation and Resettlement projects are on going at ARE&M						

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

ARE&M has established a formal grievance redressal mechanism to effectively address concerns and complaints raised by local communities. The mechanism provides a structured framework for receiving, assessing, investigating, and resolving both written and verbal grievances related to the community. The process is designed to ensure that all concerns are addressed in a fair, transparent, culturally appropriate, and timely manner, while maintaining consistency and respect for stakeholder interests.

To strengthen community engagement, the Company's CSR team regularly interacts with local stakeholders to understand community needs, gather feedback, and identify potential concerns at an early stage. The grievance management process incorporates clearly defined stages, including grievance receipt, acknowledgement, evaluation, assignment of responsibility, investigation, corrective action, and closure. This systematic approach enables ARE&M to respond effectively to community concerns, foster trust, and maintain positive relationships with communities in the areas where it operates.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	7.10	11.95
Sourced directly from within the district and neighbouring districts.	88.15%	86.92%

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

Location	FY 2025-26	FY 2024-25
Rural		
i) % of Job creation in Rural areas	70.53	70.60
Semi-urban		
i) % of Job creation in Semi-urban areas	0.05	0.03
Urban		
i) % of Job creation in Urban areas	5.45	5.56
Metropolitan		
i) % of Job creation in Metropolitan areas	23.97	23.80

(Location is categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable as no Social Impact Assessments (SIA) were required to be done in the current financial year	

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

S. No	State	Aspirational District	Amount spent (In INR)
ARE&M's current Corporate Social Responsibility (CSR) initiatives do not include any specific aspirational districts			

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?**

At ARE&M, procurement decisions are guided by principles of fairness, transparency, quality, capability, and overall business merit. While supplier selection is based on objective evaluation criteria, the Company recognizes the importance of fostering inclusive economic growth and strengthening local supply chain ecosystems.

To support this objective, ARE&M actively invests in the development and capacity building of local suppliers, including micro, small, and medium enterprises (MSMEs), as well as businesses owned or operated by individuals from marginalized and vulnerable groups. The Company engages with suppliers through training, technical guidance, awareness programmes, and continuous engagement initiatives aimed at enhancing their operational capabilities, quality standards, sustainability performance, and compliance with business requirements.

By enabling local enterprises to strengthen their competencies and competitiveness, ARE&M seeks to create equitable opportunities for participation in its value chain, promote inclusive development within the communities where it operates, and contribute to long-term socio-economic empowerment. This approach not only supports resilient and diversified supply chains but also reinforces the Company's commitment to responsible and sustainable procurement practices.

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

ARE&M maintains a diverse and inclusive supplier base, sourcing goods and services from a wide range of business enterprises. This includes small and medium-sized enterprises (SMEs), women-owned businesses, enterprises led by Scheduled Caste and Scheduled Tribe (SC/ST) entrepreneurs, minority-owned enterprises, economically disadvantaged entrepreneurs, and businesses owned or managed by individuals from historically underrepresented or previously disadvantaged groups. Through its inclusive procurement approach, the Company seeks to expand economic opportunities, strengthen local entrepreneurship, and promote equitable participation across its value chain.

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

Currently, a system to estimate procurement value from the marginalised or vulnerable groups is not in place.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR /social initiatives Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	**Quality Education to Rural Children** a. Amara Raja Vidyalayam Karakambadi b. Amara Raja Vidyalayam Diguvamagham c. Mangal Vidyalayam Petamitta Total Students Enrolled Since Inception: 55398	5035	100
2	**Skilling Rural Youth** a. Amara Raja Skill Development Centre(ARSDC) -Petamitta b. New SDC was Established at Diguvamagham Students Enrolled Since Inception: 5947	720	100
3	**Primary Health Services to Rural Areas - Patients treated in FY26** a. Out Patients treated: 17241 b. Lab tests conducted: 14482 c. Deliveries conducted: 02 d. Minor Operation: 157 **Patients treated Since Inception:** (A) Total out Patients treated :234635 (B) Total Deliveries Conducted :70 (C) Total Minor operations Conducted :921 (D) Total Lab tests conducted :186855	17241	100

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised group
4	**Social Forestry and Environment** a. 1000 Tree Saplings Planted in FY26 b. Employment provided to 12 Tribal Families c. Mitigation of Climate Change Impact Tree Saplings Planted Since Inception: 72,750	12	100
5	Rural Infrastructure Development (2 Villages - Petamitta and Diguvamagham)	2	100
6	Water (Construction of Check dams and Lakes Deepening) (60 Villages, 12 Panchayat's Population)	27,774	100
7	**Community Support Programs (2 schools and more than 250 + Villages benefitted)** - Marriage Hall at Chowdepalli - Bus shelter at Chenganapalli - Toilet Facilities- Govt School , Gadanki - Public Roads - Auditorium -Govt School Pakala - Electric Crematorium , Tirupati	250	100
8	Construction of Central Kitchen at Diguvamagham Education Complex	310	75
9	Construction of High School and Senior Secondary School (G+3) Expansion	193	78
10	STP facility at Educational Complex Diguvamagham	1,859	83
11	Development of Infrastructure facilities at Diguvamagham Educational Complex BT Road & Drain, Storm water drain	1,859	83
12	Support and Maintenance of Schools (ARES-Amara Raja Educational Society operations) – Maintenance & Purchase of School Buses	500	78

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators

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

ARE&M adopts a comprehensive approach to product labelling and customer engagement, ensuring transparency, regulatory compliance, and continuous improvement in product performance and customer experience.

Regulatory Compliance and Enhanced Product Information:

The Company complies with all applicable product labelling regulations across the geographies in which it operates. In addition to meeting statutory requirements, ARE&M provides customers with detailed information on product specifications, safety precautions, handling instructions, usage guidelines, storage requirements, and end-of-life recycling practices. This enhanced disclosure supports informed product use and promotes safe and environmentally responsible product management.

Customer Feedback and Satisfaction Assessment:

ARE&M regularly conducts customer satisfaction surveys and gathers feedback through multiple engagement channels across its key products, markets, and customer segments. These mechanisms enable the Company to better understand customer expectations, assess satisfaction levels, and identify emerging needs and areas for improvement.

Continuous Improvement through Customer Insights:

Feedback received from customers is systematically reviewed and analysed to identify trends, address concerns, and drive improvements in product quality, reliability, safety, and service delivery. Insights generated through these interactions are integrated into business processes and decision-making to enhance overall customer value.

Customer-Centric Value Creation:

The Company's approach reflects its commitment to placing customers at the centre of its operations. ARE&M views customers not merely as end-users of its products and services but as key stakeholders and partners in its value creation journey. By fostering open communication, transparency, and responsiveness, the Company seeks to build long-term relationships founded on trust, satisfaction, and mutual growth.

To further strengthen customer engagement and support, ARE&M has implemented the following mechanisms:

AMCARE: This initiative ensures round-the-clock customer support through 24x7 service centers. It enables smooth handling of battery replacements, installations, and servicing. A dedicated toll-free number is available for customers to register complaints and seek prompt assistance. AMCARE also provides free battery health inspections and generates detailed reports for customers.

AMARON KONNEKT: A proprietary digital platform designed for channel partners and customers; this application streamlines the customer experience by digitalizing product records. It also facilitates quick query resolution and offers additional support features to enhance customer convenience.

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

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

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

Number of consumer complaints in respect of the following:	FY2025-26		Remarks	FY2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy Advertising Cyber-security Delivery of essential services Restrictive Trade Practices Unfair Trade Practices	0		No Incidents observed.	0		No Incidents observed.
Other *	23	27**		11	4	

*Regular service requests from consumers for battery replacements under warranty period are governed by our warranty policy and are not considered as complaints. This includes complaints lodged in consumer forums during the year.

**includes cumulative No. of complaints pending resolution at the close of the year.

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

Case Details	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, ARE&M has established a comprehensive Information Security Policy and Data Protection Policy as part of its Information Security Management System (ISMS), which is certified to the ISO 27001 standard. The Company's policies and controls are designed to protect information assets, manage cybersecurity risks, and ensure the confidentiality, integrity, and availability of business and stakeholder data. These policies are securely maintained on the Company's internal systems, providing controlled access to authorized personnel and enabling effective implementation, awareness, and compliance across the organization.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not applicable

7. Provide the following information relating to data breaches:

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	0
b. Percentage of data breaches involving personally identifiable information of customer	0
c. Impact, if any, of the data breaches	NIL

Leadership Indicators

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

Information on ARE&M's products and services is readily accessible on the company's website:

- General: https://www.amararajaeandm.com
- Automotive: https://www.amararajaeandm.com/Business/Automotive
- Industrial: https://www.amararajaeandm.com/Industrial/

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

ARE&M undertakes a range of initiatives to promote consumer awareness, product stewardship, and the safe use and disposal of its products. The Company regularly conducts awareness programmes and outreach campaigns to educate consumers on the potential health and environmental risks associated with lead exposure, emphasizing the importance of responsible battery handling and recycling practices.

To encourage environmentally sound end-of-life management, warranty cards and customer communication materials provide clear guidance on the return of used batteries through authorized collection centres and highlight the safe handling and disposal of Used Lead Acid Batteries (ULABs) in accordance with applicable regulations. In addition, all products carry comprehensive labels containing essential information on product safety, usage instructions, maintenance requirements, storage recommendations, and disposal procedures, enabling customers to make informed decisions throughout the product lifecycle.

Further strengthening customer engagement, the Amaron Konnekt mobile application serves as a digital platform that provides users with access to product information, safety guidance, and best-practice recommendations. The application includes practical "do's and don'ts" to support the safe, efficient, and responsible use of products, reinforcing ARE&M's commitment to consumer safety, environmental responsibility, and customer education.

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

ARE&M's dedicated sales and customer support teams maintain continuous communication with customers. This proactive engagement ensures timely updates in case of any service disruption or operational issue.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)

Yes, ARE&M complies with all applicable product labelling requirements across the markets in which it operates and extends beyond regulatory obligations by providing detailed information on product safety, handling, storage, usage, and end-of-life recycling. Through clear and comprehensive labelling, the Company seeks to enhance customer awareness, promote safe product use, and support environmentally responsible disposal practices.

To better understand customer needs and expectations, ARE&M conducts periodic customer satisfaction surveys across its key product categories and operating regions. Insights gathered through these surveys, along with feedback received through other customer engagement channels, are systematically analysed and integrated into the Company's continuous improvement processes. The findings are used to strengthen product quality, reliability, customer service, and overall user experience.

This approach reflects ARE&M's commitment to customer-centricity and continuous value creation. The Company views its customers as important stakeholders whose feedback and experiences play a critical role in shaping product innovation, operational excellence, and long-term business success.

Annexure V

Annual Report on Corporate Social Responsibility (CSR)

(As per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the Company's CSR Policy

The CSR Policy of the Company focuses on Education, Health, Environment and Rural Development.

During the year, the Company considered education and sanitation as its Focus Areas. The activities undertaken thereunder were construction of central kitchen, sewage & water treatment plant, dining hall and other water harvesting facilities at schools, construction of secondary high school and maintenance of schools and skill development center.

2 Composition of the Company's CSR Committee:

S. No	Members of the Committee	Designation / Nature of Directorship	Meetings held during FY26	Meetings attended
1.	Jayadev Galla	Chairman, Executive Director	1	1
2.	Annush Ramasamy	Member, Independent Director	1	-
3.	Amar Patnaik	Member, Independent Director	1	1

3. Provide the web link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

CSR Policy	https://www.amararajaeandm.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility
CSR Committee	https://www.amararajaeandm.com/Investors/committe-of-board
CSR Projects	https://www.amararajaeandm.com/Home/beyond-businesses

4. Provide the executive summary along with the web-link(s) of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

During the year, pursuant to Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company undertook an Impact Assessment through Soulace Consulting Private Limited, a CSR consultancy firm for CSR projects undertaken during FY22–FY25, spanning education, healthcare, skill development, sanitation, and infrastructure initiatives.

The assessment evaluated the effectiveness and outcomes of CSR interventions across Andhra Pradesh, focusing on improvements in service accessibility, community health, human capital development and environmental conditions. The study adopted a mixed-method approach comprising quantitative and qualitative data collection across Chittoor and Tirupati districts.

Key initiatives assessed included Rajanna Primary Health Centre, Amara Raja Skill Development Centres, Rajanna Foundation Schools and the Underground Drainage & Solid Waste Management project at Petamitta Village. The assessment highlighted positive outcomes in healthcare access and clinical services, employability and skill enhancement, quality of education through improved infrastructure and technology-enabled learning, and improved sanitation and waste management leading to better environmental conditions and quality of life in the project areas. The CSR Committee and the Board have respectively reviewed and noted the findings of the said impact assessment report. A summary of the said impact assessment report forms part of the initial pages of this Integrated Report.

The CSR impact assessment report undertaken for the CSR projects from FY22 to FY25 is available at the Company's website. Please refer to point 31 of Board's Report for web-link of the same.

5

S. No	Particulars	₹ in crores
(a)	Average net profit of the company as per sub-section (5) of section 135	1,135.12
(b)	Two percent of the average net profit of the company as per sub-section (5) of section 135.	22.70
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	-
(d)	Amount required to be set-off for the financial year, if any	-
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	22.70

6

S. No	Particulars	₹ in crores
(a)	Amount spent on CSR Projects (both Ongoing and other than Ongoing Projects).	22.70
(b)	Amount spent in Administrative Overheads.	-
(c)	Amount spent on Impact Assessment, if applicable.	-
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	22.70

6(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the FY26	Amount unspent (₹ in crores)				
	Total amount transferred to unspent CSR account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 22.70 crores	Nil	NA	NA	Nil	NA

6(f) Excess amount for set-off, if any

S. No	Particulars	₹ in crores
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	22.70
(ii)	Total amount spent for the Financial Year	22.70
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

   If yes, enter the number of Capital assets created/ ~~acquired~~: 3 (Excluding Movable assets)

Details of capital asset created through Corporate Social Responsibility amount spent in the Financial Year:

<table>
<tr><th>Sl. No.</th><th>Short particulars of the property or asset(s)
[including complete address and location of the property]</th><th>Pin code of the property or asset(s)</th><th>Date of creation</th><th>Amount of CSR amount spent (in ₹ crores)</th><th colspan="3">Details of entity/ Authority/ beneficiary of the registered owner</th></tr>
<tr><th>(1)</th><th>(2)</th><th>(3)</th><th>(4)</th><th>(5)</th><th colspan="3">(6)</th></tr>
<tr><th></th><th></th><th></th><th></th><th></th><th>CSR Registration Number, if applicable</th><th>Name</th><th>Registered address</th></tr>
<tr><td>1</td><td>Construction of High School & Senior Secondary School Expansion (G+3) – Dighuvamagham Education complex</td><td>517129</td><td>31.03.2026</td><td>8.56</td><td rowspan="3">CSR00050143</td><td rowspan="3">Rajanna Foundation</td><td rowspan="3">Dighuvamagham Village, Thavanampalle Mandal, Chittoor District, Andhra Pradesh</td></tr>
<tr><td>2</td><td>Sewage & Water Treatment plant at Diguvamagham Education Complex</td><td>517129</td><td>31.03.2026</td><td>2.26</td></tr>
<tr><td>3</td><td>Construction of Education complex Storm water drain</td><td>517129</td><td>31.03.2026</td><td>0.33</td></tr>
<tr><td>4</td><td>Purchase of school buses and office equipments at Diguvamagham education complex</td><td>517129</td><td>31.03.2026</td><td>1.44</td><td>CSR00058734</td><td>Amara Raja Educational Society</td><td>Handed over to the schools.</td></tr>
</table>

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not applicable

Jayadev Galla
Chairman, Managing Director & CEO
Chairman of the CSR Committee
DIN: 00143610

Place: Ooty
Date: May 25, 2026

Annexure VI

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts/arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act 2013 which are not at arm's length basis.
2. There are no material contracts or arrangements or transactions with Related Parties in terms of Act, Rules thereunder and Listing Regulations.

For and on behalf of the Board of Directors

Jayadev Galla
Chairman, Managing Director & CEO
DIN: 00143610

Place: Ooty
Date: May 25, 2026

Annexure VII

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

PURSUANT TO SECTION 134(3)(M) OF THE ACT READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014:

A. Conservation of Energy

1. The steps taken or impact on the conservation of energy:

The Company continued its focused energy conservation efforts through up-gradation of process technology, effective production scheduling and various energy saving initiatives including the installation of energy-efficient equipment. Few initiatives are mentioned below:

- Installation of heat recovery system for air compressors
- Improvement of heat control system for lead pots
- Installation of High-volume low speed (HVLS) Fans
- Replacement of centrifugal blowers with Brushless Direct Current (BLDC) motors for Air Handling units (AHUs)
- Replacement of conventional lighting with LED lighting
- Elimination of Pneumatic cylinders in dumper process and reduction of compressor air consumption
- Interlocking assembly conveyors while idle running without Battery movement
- Installation of AHUs in control panel room
- Installation motion sensors for utility areas
- Replacement of Self-starter with Drive in Stacking machine
- Replacement of Air-Operated Double Diaphragm (AODD) pump to Electrical Pump in Acid circulation area
- Reduction of current harmonics in M/C transformers 2 & 3

2 The steps taken by the company for utilizing alternate sources of energy:

Renewable energy initiatives:

- Avoided 73,831 Tons of CO2 emissions on account of renewable energy installations in the Company in FY26.
- Planning to install 5.3MWp solar panels at various locations of the Company's plants during FY27

Benefits / recognitions arising out of energy conservation measures:

- Cost saving of ₹ 3.5 crores with energy conservation projects in the plants.

3. Capital investment on energy conservation initiatives/equipment:

- ₹ 3.2 crores for energy conservation projects inside the plant.

B. Technology Absorption

1. Specific Areas in which Technology Development is carried out by the Company

The Technology activities of the Company are categorized under three broad areas of focus:

- Product Technology
- Manufacturing Engineering
- Research & Analysis

The Technology projects are identified to address the following specific objectives:

- Development of import substitution in materials and products.
- Exploration of environmentally friendly operations/ materials.
- Manufacturing Technology up-gradation to make the batteries robust and high-end performers.
- Material/Process development activities for enhancing battery performance and cost-efficiency.
- New product development for emerging applications.
- Research on New Energy Storage Technologies/ Non-Lead Acid Technologies.
- Technology up-gradation to make the batteries robust and high-end performer.

- Value engineering efforts for product improvements.
- Digitalization towards speeding up the development programs

2. **Benefits derived as a result of the above Technology Projects**

- Advanced New Lead Acid Technologies: Sustained Technology demonstration initiatives and promising advancements made in advanced lead acid and alternate chemistry storge technologies signifying our commitment to pushing the boundaries of energy storage.
- Developed Value Series Battery Portfolio for International Business An optimized, value-driven battery range developed through advanced paste formulation, grid optimization and cutting-edge grid technology and integrated advanced manufacturing process. It delivers reliable, high-performance power with a superior power-to-weight ratio, enabling enhanced efficiency and extended range in modern vehicles.
- Focused on expanding our range by launching flooded tubular products for home UPS application.
- Successfully introduced advanced plate technology battery range for domestic UPS and data center applications.
- Technology Innovation for Smart Hybrid Vehicles: Developed a specialized battery solution for the next generation of Smart Hybrid vehicles. This cutting-edge design is engineered to support the increased electrical loads and dynamic power demands of hybrid systems.
- Developed Simulation Procedures at Component Level employing Electrochemical & Structural Analysis.
- Enhanced plate robustness by introducing advanced curing techniques in 4W & UPS.
- Implemented new processes with compatible material to enhance mechanical strength in commercial batteries to enhance durability.
- Implemented new energy efficient (higher productive) and advanced formation equipment for tubular battery plant.
- Optimized formation process cycle time to improve productivity in 4W AGM.
- Developed innovative method for improving the state of charge in 2W batteries.
- Introduction of durable & sustainable AGM separator solutions for Automotive applications.
- Implemented Engineered Fiber into electrode for Structural Integrity.
- Implemented Premix Expander Systems to Enhance Sustainable Productivity for flooded HUPS Battery Manufacturing.
- Enhanced Industrial Battery Performance through Deployment of new additive formulation.

3 **Future Plan of Action**

- Development of next-generation UPS battery technologies to strengthen our presence in international markets
- Expansion of Home UPS and UPS product portfolios
- Development of a comprehensive product portfolio for motive power applications
- Continued in-house and collaborative R&D initiatives on advanced lead-acid and alternate battery chemistries
- Development of advanced battery technologies for marine applications
- Development of advanced automotive product ranges with optimized performance and manufacturability for international markets
- Design and development of commercial vehicle battery solutions for domestic and international markets
- Enhancing plate quality through improved plate-making and advanced paste-mixing processes for automotive and UPS batteries
- Improving throughput and energy efficiency through optimization of oven cycle times and assembly operations in Home UPS battery manufacturing
- Introduction of energy-efficient assembly processes in two-wheeler battery manufacturing
- Development of new and optimized formation processes for automotive batteries
- Continued implementation of innovative methodologies to improve state-of-charge performance in two-wheeler batteries

- Development of next-generation lead alloy systems to improve battery performance and durability
- Development of high charge acceptance plates for automotive battery applications
- Deployment of advanced separators with superior performance characteristics for Home UPS batteries
- Evaluation of advanced additives to improve automotive battery performance

4 Technology absorption, adaptation and innovation

i. Efforts in brief, made towards technology absorption, adaptation and innovation

- Developed innovative method for improving the state of charge in 2W batteries.
- Implemented Engineered Fiber into electrode for Structural Integrity.
- Developed an advanced plate technology battery range for domestic UPS and data center applications.
- Developed a specialized battery solution for the next generation of Smart Hybrid vehicles.

ii. Benefits derived because of above efforts:

- Cost reduction
- Environmental protection
- Energy conservation
- Enhanced performance and reliability of the product
- Enhanced market share
- Customer Satisfaction
- Penetration into newer markets
- Intellectual Property rights
- Sustainable development

iii. Information regarding Imported Technology

a)	Technology Imported	The Company has imported technology for the manufacture of, advanced Punched Grid for the futuristic Automotive batteries from Johnson Controls Inc., USA
b)	Year of Import	2018
c)	Has the technology been fully absorbed?	Yes, the technology is under implementation in a phased manner and already deployed successfully in certain application segments.
d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	-

5. Expenditure on Research and Development

(Amount in ₹ crore)

S. No	Parameter	FY26	FY25
1	Capital	1.40	1.28
2	Recurring	13.30	12.44
	Total	**14.70**	**13.72**

C. Foreign Exchange earnings and outgo

(Amount in ₹ crore)

S. No	Parameter	FY26	FY25
1	Foreign exchange used	1,394.45	1,502.66
2	Foreign exchange earned	1,643.25	1,707.03

Annexure VIII

Information pursuant to Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

a. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, for FY26:

S. No	Name of the Director/Key Managerial Personnel	Designation	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration
Non-Executive Directors				
1.	Mr. Annush Ramasamy	Independent Director	12.06	18
2.	Dr. Amar Patnaik	Independent Director	12.69	NA $
3.	Ms. Radhika Shapoorjee	Independent Director (w.e.f. May 22, 2025)	11.59	NA @
4.	Ms. Bhairavi Tushar Jani	Independent Director (till August 13, 2025)	4.54	NA @
Executive Directors				
1.	Mr. Jayadev Galla	Chairman, Managing Director & CEO	1971.84	(6)
2.	Mr. Harshavardhana Gourineni	Executive Director	985.92	(6)
3.	Mr. Vikramadithya Gourineni	Executive Director	985.92	(6)
Key Managerial Personnel*				
1.	Mr. Delli Babu Y	Chief Financial Officer	64.16	16
2.	Mr. Vikas Sabharwal	Company Secretary	52.38	11

* Mr. Jayadev Galla is also a Key Managerial Personnel

$ comparable not available, as not part of full year FY25

@ comparable not available, as not part of full year FY26

b. The percentage increase in the median remuneration of employees in the financial year: 5.90%

c. The number of total employees on the rolls of the Company: 10,805

d. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of employees other than the managerial personnel was 8.96%. The remuneration of the Managing Director and Executive Directors is linked to the commission based on the profits of the Company.

e. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Jayadev Galla
Chairman, Managing Director & CEO
DIN: 00143610

Place: Ooty
Date: May 25, 2026

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT

To

The Board of Directors of Amara Raja Energy & Mobility Limited

Introduction and objectives of work

The Board of Directors of Amara Raja Energy & Mobility Limited (hereinafter abbreviated as "Amara Raja") have engaged us for providing Assurance Report on identified sustainability information in the Integrated Report (IR) & Business Responsibility & Sustainability Report (BRSR) of the Company for the year ended March 31, 2026. This Annual Integrated report has been prepared in accordance with the International Integrated Reporting Council (IIRC) Frameworks, Global Reporting Initiative Standards, 2021 & Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines for Responsible Business Conduct (NGRBC).

Intended User

The assurance statement is made solely for "Amara Raja Energy & Mobility Limited" as per the governing contractual terms and conditions of the assurance engagement contract between "Amara Raja" and "Bureau Veritas". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than "Amara Raja" for the work we have performed for this assurance report, or our conclusions stated in the paragraph below.

Scope of Work

We have performed the Reasonable Assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and in line with the requirements of Bureau Veritas's standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The reporting boundaries considered for this reporting period are as follows:

Head Office:

Renigunta, Kadapa Road, karakambadi, Tirupati, 517 520, Andhra Pradesh, India

Site 1:

Renigunta Cuddapah Road, Karakambadi, Tirupati, 517 520 Andhra Pradesh, India

Site 2:

Amar Raja Growth Corridor (ARGC), Nunegundlapalli, Chittoor, 517 416, Andhra Pradesh India

As part of its Independent Reasonable assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes used to collect, analyse and review the information reported. In this process, we undertook the following activities:

Assessment was conducted by means of physical site visits at Tirupati & Chittoor plants. Bureau Veritas interviewed personnel of Amara Raja's including Safety, Environment, Energy, HR, L&D, Procurement / SCM, Finance and Accounts, CSR and other relevant departments.

- The Company has submitted performance data on reported IR & BRSR topics. The data pertaining to each location visited was assessed by Bureau Veritas through the process above described.
- Data on various IR & BRSR disclosures was assessed for the locations as mentioned above. Later, it was confirmed that the same assessed data went into preparation of the final data within the IR & BRSR Report 2025-26.

Management Responsibility

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the IR & BRSR report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of IR & BRSR Report. Our sole responsibility is to provide independent Reasonable assurance on the BRSR report for the financial year ended 31st March 2026.

Our Findings

On the basis of our methodology and the activities described above,

- Nothing has come to our attention to indicate that the IR & BRSR disclosures are inaccurate or that the information included therein is not fairly stated.

- It is our opinion that Company has established appropriate systems for the collection, aggregation, and analysis of data on Sustainability/Non-Financial performance disclosures in the IR & BRSR.

- The IR & BRSR Report provides a fair representation of the Company'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 Company and status during the reporting period.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by Amara Raja and statements of future commitment.
- Competitive claims in the report claiming, "first company in India", "first time in India", "first of its kind", etc.

Our assurance does not extend to the activities and operations of "Amara Raja" outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of Independence, Integrity, and Competence

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety, and social accountability with over 198 years history. Its assurance team has extensive experience in conducting assessments over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Amara Raja.

Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Restriction on use of Our Report

Our Reasonable assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addresses 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.

Munji Rama Mohan RAO

Lead Assuror
Bureau Veritas (India) Private Limited
Hyderabad, India
Dt: 08 July, 2026

Rupam BARUAH

Technical Reviewer
Bureau Veritas (India) Private Limited
Mumbai, India
Dt: 08 July, 2026

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT

Shaping a World of Trust

To

The Board of Directors of Amara Raja Energy & Mobility Limited

Introduction and objectives of work

The Board of Directors of Amara Raja Energy & Mobility Limited (hereinafter abbreviated as "Amara Raja") have engaged us to carry out an independent verification of its Greenhouse Gas Inventory assertions ("the GHG Inventory") i.e. Scope 1, Scope 2 and selected categories of Scope 3 emissions data as defined by the ISO 14064: Part 1 Standard and covering the Company's emissions over the period 1st April 2025 to 31st March 2026, which forms part of the Company's response to the Carbon Disclosure Project (CDP), disclosure for BRSR report of FY 2025-26 and its Integrated Report for FY 2025-26.

Intended User

The assurance statement is made solely for "Amara Raja Energy & Mobility Limited" as per the governing contractual terms and conditions of the assurance engagement contract between "Amara Raja" and "Bureau Veritas". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than "Amara Raja" for the work we have performed for this assurance report, or our conclusions stated in the paragraph below.

Scope of Work

We have performed the Reasonable Assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410 and in line with the requirements of Bureau Veritas's standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance. The verification applies a ± 5% uncertainty towards errors and omissions.

The reporting boundaries considered for this reporting period are as follows:

Head Office: Renigunta, Kadapa Road, karakambadi, Tirupati, 517 520, Andhra Pradesh, India

Site 1: Renigunta, Kadapa Road, karakambadi, Tirupati, 517 520, Andhra Pradesh, India

Site 2: Amara Raja Growth Corridor (ARGC), Nunegundlapalli, Chittoor, 517 416
Andhra Pradesh, India

The Scope of work agreed upon with Amara Raja includes verifications of its GHG emissions (Scope 1, Scope 2 and selected categories of Scope 3) as listed below:

Scope 1 emissions arising from

- Consumption of diesel (in DG Sets, Boilers and intermediate transportation),
- Acetylene Consumption in plant process,
- LPG Consumption (in furnace and ETP-ZLD Process),
- Usage (topping up) of different refrigerant gases and
- Usage (topping up) of Carbon Dioxide gas in Fire extinguishers.

Scope 2 emissions arising from

  - Use of purchased electricity from Grid

Scope 3 emissions from categories (GHG Protocol) of

- Category 1 – Purchased Good & Services (Primary & Secondary Lead, Sulphuric acid, Polypropylene, Lubricants & Tubular batteries)
- Category 4 – Upstream transport & Distribution of raw materials (Raw Material transportation by Road & Sea)
- Category 5 – Waste generated in operations (Plastic waste, E-Waste, Hazardous Wastes, non-hazardous wastes, waste recycled, landfilled and incinerated)
- Category 6 – Business travel (employee commute, business travel by road and air)
- Category 7 – Employee Commuting
- Category 8 – Upstream Leased Assets
- Category 9 – Downstream transport & distribution
- Category 11 – Use of Sold products
- Category 12 – End of life treatment of Sold Products
- Category 14 – Franchises

As part of its independent Reasonable Assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes used to collect, analyse and review the information reported. In this process, we undertook the following activities:

Assessment was conducted by means of physical site visits at Tirupati & Chittoor plants. Bureau Veritas interviewed personnel of Amara Raja's including Safety, Environment, Energy, HR, L&D, Procurement / SCM, Finance and Accounts, CSR and other relevant departments.

Verification Methodology

The verification was conducted by Bureau Veritas for the following activities:

- Desktop Review of ARE&ML emissions provided in spreadsheets
- Management interaction on data management systems and review of emission factors and assumptions at HO & Sites
- On site assessment from 27th to 29th April 2026 for the data monitoring and reporting at HO and site.

Conclusion:

Scope	Source	GHG Emissions (tCO_2e) FY 2025-26	GHG Emissions (tCO_2e) FY 2024-25
Scope 1	**Emissions arising from the consumption of fuels like diesel, Acetylene, LPG, use of refrigerant gases & CO2**	**7185**	**6816**
Scope 2	**Emissions from consumption of grid electricity**	**257927**	**230765**
Scope 3	**Under Categories (GHG Protocol of 1,4,5,6,7,8,9,11,12,14)**	**459705**	**451864**
Total		**724817**	**689445**
Avoided Emissions	**Renewable Energy consumption**	**73831**	**80240**

Management Responsibility

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the GHG Inventory report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of GHG Inventory Report. Our sole responsibility is to provide independent Limited assurance on the GHG Inventory report for the financial year ended 31st March 2026.

Our Findings

On the basis of verification methodology and scope of work agreed upon, nothing has come to our attention to believe that the GHG data as below is not correct and is not a fair representation of Amara Raja GHG Emissions – Inventory for FY 2025-26.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by Amara Raja and statements of future commitment.
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The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Amara Raja.

Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Restriction on use of Our Report

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