



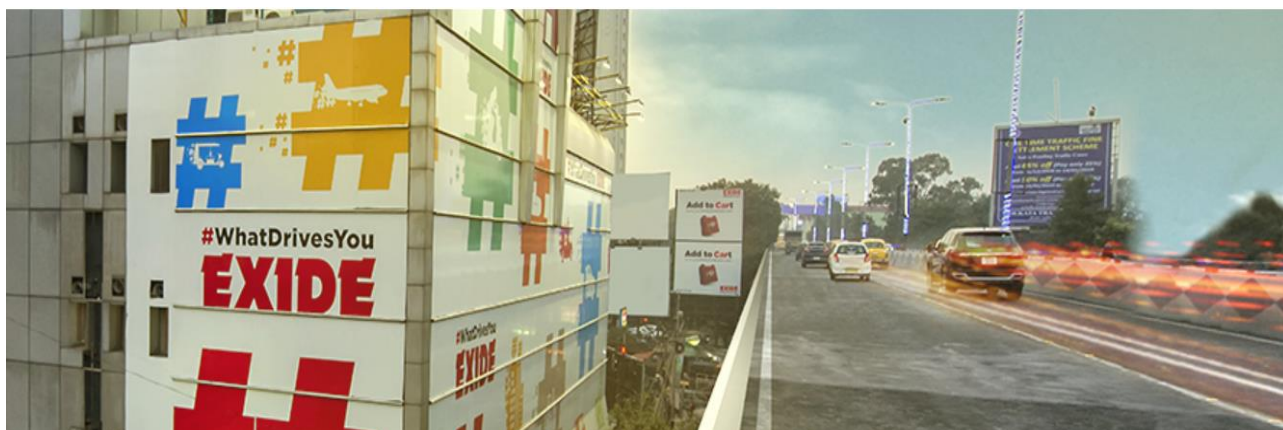
Sustainability in Motion

Driving Energy Solutions

ESG Factbook FY 2025

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About the Report

This Sustainability Snapshot provides an overview of Exide Industries Limited's non-financial performance and key sustainability initiatives for the fiscal year April 1, 2024 to March 31, 2025. Prepared on a standalone basis, the report covers disclosures across environmental, social, and governance (ESG) dimensions.

It excludes sustainability data from subsidiaries. The disclosures cover all activities and operations included in our financial reports, representing over 99.57% of the revenue reflected in our non-financial reporting.

Disclosures

The ESG snapshot has been prepared specifically in alignment to the data requirements for the Dow Jones Sustainability Index (DJSI), Global Reporting Initiative (GRI), Business Responsibility and Sustainability Reporting (BRSR) and the UN's Sustainable Development Goals (UN SDGs).

Sustainability at Exide Industries Limited

At Exide Industries Limited, sustainability is deeply embedded in the company's vision and operations, reflecting a commitment to creating long-term value for stakeholders while minimizing environmental impact. The company integrates sustainable practices across its manufacturing processes, supply chain, and product innovation, focusing on energy efficiency, responsible resource use, and social responsibility. By aligning with global sustainability frameworks and regulatory requirements, Exide strives to drive innovation and growth while contributing positively to the communities it serves and preserving natural ecosystems. Below is a snapshot of Exide's key initiatives in sustainability and the outcomes that it has yielded:





Governance & Economic Highlights

Governance and Economic: Topics covered

1. Corporate Governance at EIL
2. Materiality and Material Issues
3. Risk Management
4. Business Ethics and Policy Influence
5. Supply Chain Management
6. Information Security Management
7. Product Quality Management

1. Corporate Governance at EIL

Transparency is the cornerstone of Exide's philosophy, and the Company adheres to all corporate governance requirements in both letter and spirit. Listed on the NSE, BSE, and CSE, Exide ensures that all Directors, Key Management Personnel, and Senior Management Personnel comply with the approved Code of Conduct for Board of Directors and Senior Management Personnel, in line with Regulation 16(1)(b) of SEBI (LODR) Regulations.

The Company's commitment to good governance centres around a three-tier Board system, emphasizing a disciplined and strategically focused Board of Directors, with both executive and non-executive, serving on a single board. The Board's role is to set ethical standards, ensure financial stability, and guide the company's strategic direction. The Governance structure ensures that at the ground level the executive management of the divisions is focused on strengthening the quality, efficiency, and effectiveness of each business vertical. This level functions under the strategic day-to-day management of the Executive Committee (ExCom), which has under its ambit the overall vision of the entire organization, encompassing strategic growth, innovation, and stakeholder value creation. The ExCom comprises Senior Management Personnel (SMP) from different functions of the Company and is spearheaded by the Managing Director & CEO.

EIL complies with the requirements of the Companies Act regarding the composition of Independent Directors on its Board. Since the Chairperson is a non-executive independent director, more than one-third of the Board comprises of independent members. These directors have no material or pecuniary relationship with the Company, its promoters, or its management, thereby safeguarding their independence. The company is also proud to disclose that it has reported zero cases of bribery, corruption, discrimination or harassment, breach of customer privacy, money laundering and conflict of interest during the reporting period.

The Board of Directors* & Board diversity

The Board of Directors of the Company is duly constituted with a balanced mix of 2 Executive Directors, 6 Non-Executive Directors, of which 5 are Independent Directors. As of the end of the financial year 2024-25, the Board comprised eight members, chaired by an Independent and Non-Executive Chairman.

12.5% Board diversity
– comprising one female director on the Board

** The Board structure was revised from 1 May 2025.*

Name of the Director	Designation
Mr. Bharat D Shah	Chairman and Independent Director
Mr. R B Raheja	Vice Chairman & Non-Executive, Non-independent director
Mr. Avik Roy	MD & CEO
Mr. Ashish Kumar Mukherjee	Director- Finance and CFO
Mr. Jaidit Singh Brar	Independent Director
Ms. Radhika Rajan	Independent Director
Mr. Sridhar Gorthi	Independent Director
Mr. Surin Kapadia	Independent Director

The Company believes in and actively embraces the value of a diverse Board, recognizing that diversity in skills, industry experience, expertise, background, and gender is a key factor in sustaining a competitive edge. These dimensions are considered when determining the optimal composition of the Board. The Company incorporates a comprehensive clause on Board diversity within its Nomination and Remuneration Policy. This policy is publicly available and can be accessed on the Company's website at: [NOMINATION AND REMUNERATION POLICY](#)

Board Accountability

Exide Industries Limited is committed to maintaining Board accountability. The company has many strategies in place to ensure that its Board of Directors act in the best interests of the company and its stakeholders—primarily shareholders—by overseeing management, ensuring effective governance, and being answerable for their decisions and actions. Following are some of the measures through which the company ensures board accountability:

9.56 years
Average tenure of the
Board members

1. **Board Meeting Attendance:** The Board usually meets four times in a year as mandated by the SEBI (LODR) after end of every quarter. The average board attendance during the reporting period remained at more than 99 percent.
2. **Ethics & Compliance:** Since our listing in 1979, we have upheld ethical governance through robust policies, training, and compliance. Governance processes are embedded in board policies and procedures, ensuring ethical conduct across all levels. Our whistle-blower mechanism ensures anonymity, covers external stakeholders, and enforces zero tolerance for retaliation, reinforcing transparency and accountability across all levels.
3. **Board Oversight & Internal Controls:** To uphold transparency and avoid conflicts of interest, related party transactions with wholly owned subsidiaries are approved by the Board/Audit Committee despite exemptions. In-house governance is strengthened by re-aligning the Delegation of Authority matrix, enabling lower management to take decisions while ensuring accountability through structured oversight.
4. **Succession Planning:** The NRC plays a pivotal role along with the Human Resources team in identifying successors to the members of the Board and invests substantial time reviewing succession planning and transitions at the Board and senior management levels. As part of its broader mandate, the Committee also oversees the Company's succession planning for the CEO and other key leadership roles to ensure continuity and long-term organizational stability. Also, the roles of the Chairman and the Managing Director & CEO are clearly defined and have remained distinct for over 15 years.
5. **Board Election Process:** The Directors of the Company are appointed or re-appointed by the Board based on the recommendation of the Nomination and Remuneration Committee and with the approval of the shareholders at Annual General Meeting (AGM) or through Postal Ballot. As per the Company's Articles of Association and the provisions of the Companies Act, all Directors—except the Managing Director and Independent Directors—are liable to retire by rotation at the Annual General Meeting

(AGM) and, if eligible, may offer themselves for re-appointment. All the Board committees are headed by Independent directors. The Audit Committee comprises of only Independent directors.

CEO compensation and success metrics

The NRC is responsible for setting the remuneration for the CEO and whole-time directors. The remuneration shall be based on various factors as below:

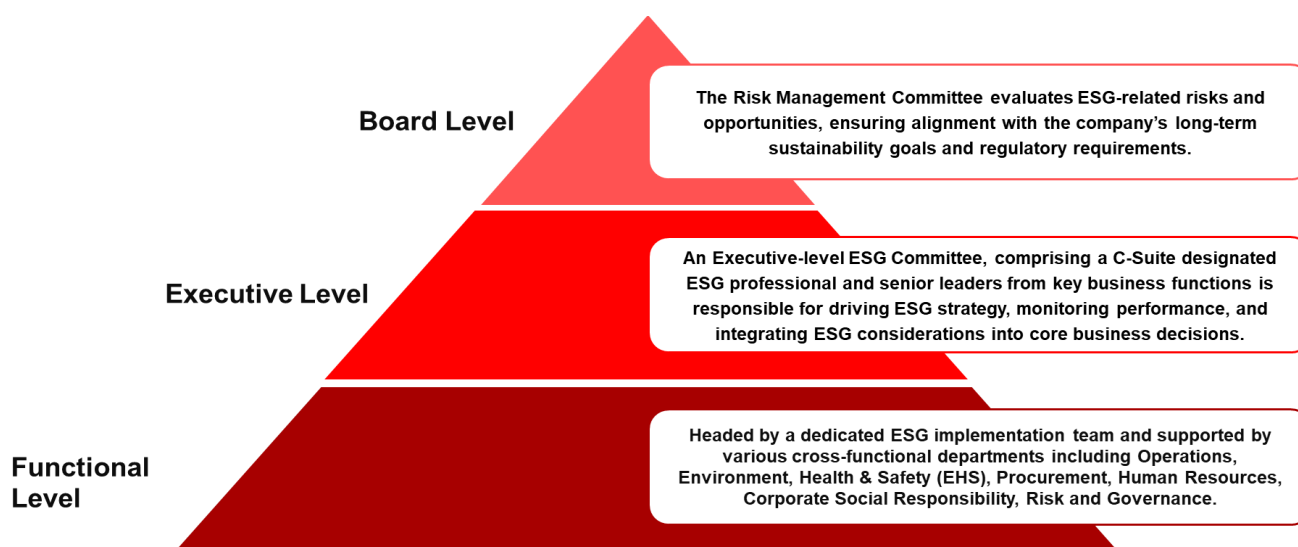
Components of remuneration	<ol style="list-style-type: none"> 1. Fixed remuneration 2. Variable remuneration consisting of the following: <ol style="list-style-type: none"> a. Performance based remuneration and commission (as decided by the Committee/Board). Performance bonus and commission of Executive Directors are performance-linked and are paid based on actual performance parameters (including sales growth, profit before tax, cost reduction, product innovation, etc.) 3. Retiral benefits 4. Other perquisites and benefits
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The Company has a detailed clause on clawback within its Nomination and Remuneration Policy. In line with the provisions of the Companies Act, 2013 (Section 199), the policy enables the recovery of remuneration in excess of what would have been payable to him where the financial results are subsequently restated due to fraud, misconduct, or material non-compliance. The board remuneration is less than 2% of the Net profit as against statutory maximum limit of 11%.

There is currently no provision or requirement under the Company's policies or applicable regulations mandating shareholding by the CEO and other members of the Executive Committee.

ESG & Climate Governance and Oversight

At Exide Industries Limited, ESG governance is embedded across multiple organizational levels to ensure comprehensive oversight, accountability, and effective implementation of sustainability initiatives.



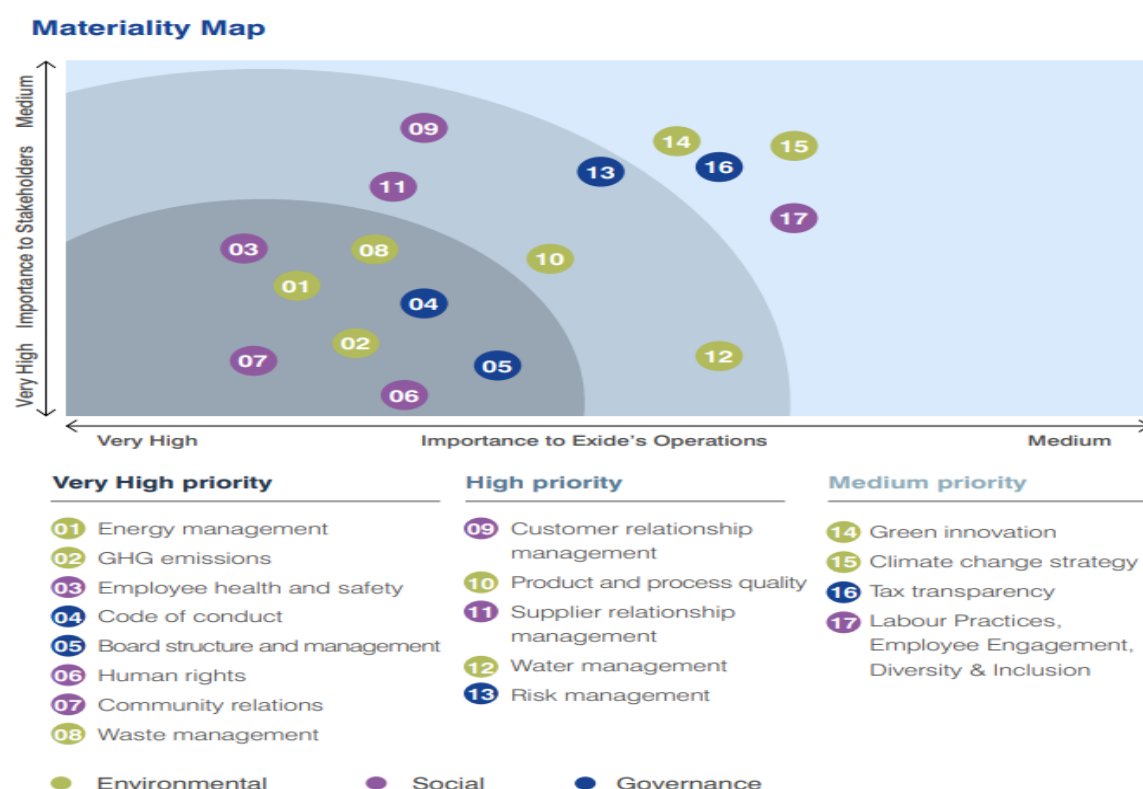
2. Materiality and Material Issues

Materiality Assessment

Exide's Materiality Assessment is conducted every three to four years and the last one conducted in 2022 provides a structured approach to identify, prioritise, and address key ESG topics critical to its long-term business success and stakeholder trust. The assessment involves both internal and external stakeholders. Inputs are gathered through stakeholder mapping and questionnaires circulated among investors, customers, OEMs, suppliers, and employees, enabling them to rank ESG issues by importance.

Materiality Map

The prioritised topics are consolidated into a materiality matrix and integrated into Exide's Enterprise Risk Management (ERM) framework. Each material issue is linked to significant risks, defined by their nature, response measures, severity, and business relevance. The process considers both the internal impact on Exide's operations and the external impact on society and the environment. While not separately assured, the assessment aligns with GRI (2021) standards. The materiality assessment outcomes are reviewed and signed off by Exide's Executive Committee level.



Material Issues for Enterprise Value Creation

Exide has identified the three most significant environmental, social and governance material issues that influence its long-term value creation. These issues have been assessed for their impact on revenues, costs, and risks, and are linked to the company's strategies, products, and initiatives.

	Material Issue 1	Material Issue 2	Material Issue 3
Material Topics Impacting Business	Energy Management and GHG Emissions	Employee Health & Safety	Waste Management
Category the Issue Belongs To	Environmental Policy & Management	Occupational Health & Safety	Waste and Pollutants
Business Case	a. Inefficient energy management leads to higher energy expenses and reduced profitability. b. Elevated GHG emissions and energy use exacerbate climate change, creating substantial physical and transition risks for our operations and the environment	a. Unsafe work conditions severely harm employees, decrease productivity, inflate costs, damage reputation, cause regulatory problems, and undermine social sustainability within the organisation.	Ineffective waste management pollutes the environment, raises disposal costs, and violates regulations
Type of Impact on business	Risk	Risk	Risk
Business strategies	a. Renewable energy accounts for more than 20% of total energy consumption. b. Around 78% of our upstream value chain partners underwent ESG awareness workshops c. Venture into green technology solutions with a significant investment in setting up a lithium-ion cell manufacturing plant at Devanahalli, Bengaluru in 2 phases of 6 GWh each through wholly owned subsidiary 'Exide Energy Solutions Limited (EESL)'	a. AI-powered predictive maintenance has reduced equipment failures, while automation technologies, including RPA, Digital Twin, and drone systems, have elevated production accuracy and reduced manual intervention, thereby also minimizing the risk of workplace accidents.	a. Increased captive recycled lead and lead alloys from Chloride Metals Ltd (CML) making overall recycled lead and alloys share to 75%. b. Achieved 16% usage of recycled plastic in products.

	Material Issue 1	Material Issue 2	Material Issue 3
Target/Metric	a. Increase renewable capacity to 30%. b. Reduce energy intensity (Scope 1 + 2) by 25% by 2030. c. Identify & reduce Scope 3 emissions. d. Adopt energy-saving techniques at operational level.	a. Zero fatality- Endeavor to be on a zero-fatality path every year b. UCUA- Achieve a significant increase in UCUA (Unsafe Act and Unsafe Conditions) reporting, coupled with a 95%+ closure rate for reported incidents	a. Achieve Zero Waste to Landfill b. Reduce waste generated per unit of output by 30%
Near-term Target Year	2030	2030	2030
Progress on targets/metrics (FY 2024-25)	1. a. 20% Renewable Energy share in the electricity mix; 88,000+ tCO ₂ e avoided, 84.5 MWp of installed Solar On-site and Off-site capacity and 6.3 MW Wind power added in FY 2024-25 b. Scope 3 absolute reduction of ~5%; Scope 3 intensity 59.86 tCO ₂ e/MAh (6% reduction Y-o-Y); 75% recycled lead and lead alloys in our products; 16% recycled plastic in our products; 15% of last-mile volume deliveries through EVs, 3x increase over last year c. Through resource efficiency, technology and rigorous monitoring, our energy management strategies effectively minimize environmental impact.	a. Zero fatalities during the year from injuries and ill-health, LTIFR for workers reduced from 0.12 to 0.10 (Improvement of 17% over previous year) b. 92% UCUA closure rate in FY 2024-25 with an improvement of 4.8% over previous year, 1.23 lakh+ training hours on EHS	a. Maintained Waste to Landfill at approximately 3-4% in terms of overall waste footprint, with an overall reduction of 43% from FY 2022-23 figure b. Waste generated per unit of output declined by nearly 3.43% in FY 2024-25, Absolute hazardous waste reduced by 1.7%, Absolute non-hazardous waste reduced by 6.0%

3. Risk Management

Exide's Enterprise Risk Management (ERM) system offers a robust framework for identifying, assessing, and managing risks by integrating a wide spectrum of internal and external business factors along with key growth drivers. We have continually enhanced our ERM approach to ensure it remains agile and responsive, enabling us to navigate the challenges of an increasingly volatile, uncertain, complex, and ambiguous (VUCA) environment while consistently delivering long-term value.

Risk governance structure and roles



Risk management and review process

Exide's Enterprise Risk Management (ERM) process framework has progressively evolved and matured over the years, certified and aligning with globally recognized standards such as ISO 31000 and the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The company's risk assessment process is overseen by the Risk Management Committee, which regularly (once in each quarter) assesses and discusses potential risks through documented registers and meeting notes. The process involves identifying, categorizing, and prioritizing risks across operational, financial, and

strategic domains. A key component of Exide's ERM system is a detailed risk matrix, structured on a 5x5 scale that measures both impact and likelihood.

Key aspects of the process include:

- **Structured Risk Identification:** Risks are recorded in a register with detailed descriptions, sources, and potential impacts. The committee systematically reviews risks to ensure all relevant areas are covered.
- **Risk Categorization and Scoring:** Risks are evaluated using severity and likelihood metrics along with the evaluation considers multiple factors like likelihood, magnitude, business relevance, geographical location, etc, allowing the committee to prioritize them based on potential impact. This scoring framework helps in focusing attention on high-priority risks.
- **Risk Appetite:** Possible responses to risk include avoiding, accepting, reducing or sharing the risks. The company has established a dedicated department (Risk Office) in line with statutory requirement with sufficient independence and authority for ERM, headed by the Chief Risk Officer. The department collaborates closely with other relevant management functions of the company such as legal, information security, EHS, Manufacturing Operations etc for the identified risks.
- **Periodic Review and Monitoring:** The committee meets at regular intervals to assess emerging risks, track mitigation efforts, and update the risk register. This ensures continuous monitoring and alignment with the company's objectives.
- **Decision-Making and Governance:** The process is integrated into the company's governance structure, with senior leadership involvement ensuring accountability. Action plans, resource allocation, and timelines are assigned based on the assessed risk levels.
- **Documentation and Reporting:** The findings and decisions are systematically documented for transparency, traceability, and compliance. This also supports communication across functions and external stakeholders.

These reviews ensure that both identified and emerging risks are systematically addressed with appropriate oversight. Additionally, the Board of Directors and the Audit Committee review the overall risk landscape, evaluate the adequacy of controls, and monitor the effectiveness of mitigation efforts on an ongoing basis.

Risk Culture

We have implemented targeted strategies to foster a strong risk-aware culture across the organization which includes the following:

- Focused training on risk management principles for Independent Directors on the company's risk management framework, cybersecurity, and related risks.
- Risk criteria are embedded in product development, where we carefully assess the probability and magnitude of risks such as disruptive technologies, challenges in technology absorption, and

commercialization. We also conduct detailed OEM feedback, product benchmarking, field testing, stress testing, and battery breaking tests to evaluate and mitigate risks associated with our products.

- Company-wide training on risk management ensures employees are equipped to identify and manage a broad spectrum of risks

Emerging Risks

Exide Industries Limited, a leading battery manufacturer in India, is operating in a dynamic environment marked by technological disruption, tightening environmental regulations, and shifting energy trends. In view of the above the company has identified the following as the emerging risks that can impact its business significantly soon:

1. Cybersecurity Securing AI-Driven Manufacturing Systems

- **Risk Description:** Ensuring cybersecurity in the manufacturing industry during AI adoption requires a multi-layered strategy that balances innovation with risk management. Manufacturing environments are particularly vulnerable due to the mix of legacy systems, operational technology (OT), and increasing connectivity. As AI adoption accelerates, safeguarding sensitive data, protecting industrial control systems, and ensuring operational continuity become critical priorities, demanding proactive defenses and continuous monitoring.
- **Impact on Business:** AI system vulnerabilities can have significant operational and financial consequences. Faulty predictions or compromised AI models may cause production stoppages, increased downtime, and higher maintenance costs. Inaccurate defect detection can result in substandard products reaching customers, leading to warranty claims, reputational damage, and potential regulatory non-compliance. Moreover, overdependence on unreliable AI systems can reduce workforce confidence in digital transformation initiatives, slowing down adoption and innovation.
- **Mitigation measures:** To mitigate AI system vulnerabilities in manufacturing, companies should adopt a layered approach combining strong cybersecurity and governance. This includes pre-deployment risk assessments of AI models, continuous monitoring of AI outputs, and strict segregation of AI and OT networks to prevent breaches. Securing data pipelines with encryption and privacy-preserving techniques, coupled with AI-driven anomaly detection, strengthens resilience. Workforce training on AI limitations and cyber hygiene, alignment with global standards like IEC 62443 and NIST, and AI-specific incident response planning further ensure business continuity and trust in automation.

2. Geopolitical risks: Geopolitical Trade Barriers

- **Risk Description:** Exide Industries faces rising geopolitical risks from revised tariffs and anti-dumping measures in key markets such as the US and Middle East. These protectionist actions

have reduced export competitiveness, leading to significant loss of business, market share, and revenue, thereby threatening the Company's international growth plans. Additionally, geopolitical tensions have disrupted critical sea routes, causing delays, higher transportation costs, and supply risks. From an inward logistics perspective, volatility in commodity markets and supply disruptions of key raw materials, driven by geopolitical conflicts and trade restrictions—pose further risks of cost escalation and input shortages.

- **Impact on business:** Revised tariffs and anti-dumping measures have reduced export volumes, impacted international revenues, and disrupted supply chains and customer relationships. Rerouting of shipping lanes due to geopolitical conflicts has further increased logistics costs and delayed deliveries. On the inbound side, commodity price fluctuations and restricted availability of raw materials expose Exide to cost volatility, increase dependence on limited suppliers, and strain margins. Together, these challenges limit global expansion, heighten reliance on domestic markets, and threaten long-term competitiveness.
- **Mitigation measures:** Exide is diversifying exports to emerging markets, strengthening local partnerships, and exploring overseas manufacturing to bypass trade barriers. On the inbound front, the Company is working to secure reliable raw material supply chains with special emphasis on sourcing locally, enhance supplier diversification, and hedge against commodity price volatility. Exide is also investing in alternative battery technologies and expanding into the lithium-ion sector to align with global clean energy and EV trends, thereby reducing long-term dependence on conventional commodities.



4. Business Ethics and Policy Influence

Exide Industries Limited upholds high ethical standards through a robust governance framework, anchored by its Anti-Bribery and Anti-Corruption (ABAC) Policy, Whistleblowing Policy, and distinct Codes of Conduct for the Board, management, and employees. The Company has a formal whistleblowing mechanism to enable employees and stakeholders to confidentially report any concerns or violations relating to its Code of Conduct or ABAC Policy. In addition, an Internal Complaints Committee (ICC) has been constituted to address cases reported under the Prevention of Sexual Harassment (POSH) Act.

The Company prohibits any contributions to political campaigns, political organizations, lobbyists, or lobbying entities, and made no such contributions in FY 2024-25. To further strengthen its governance and industry engagement, Exide is affiliated with eleven leading trade and industry chambers/associations, at both state and national levels.

INR 90,43,131

Total contribution to trade and industry associations

5. Supply Chain Management

Exide Industries Limited strengthens its supply chain through a supplier screening and assessment framework aligned with its Supplier Code of Conduct and Responsible Procurement Policy. Covering business ethics, environment, and human rights, the framework drives compliance, promotes circular economy practices, and ensures inclusive engagement. Suppliers are expected to enhance ESG performance, cascade standards across their networks, and set measurable goals with regular monitoring.

Our Supplier Assessment Framework is as follows:

Step 1: New Supplier Screening for Onboarding

Exide has an established new supplier screening process to evaluate every new supplier before formal engagement. Every new supplier undergoes a comprehensive suitability check covering financial solvency, compliance along with ESG compliance, compliances relevant to the business and commodity and country specific compliances which are as follows:

- **Environment** – law compliance, waste management, energy efficiency, hazardous material handling.
- **Social** – labour relations, employee welfare, training, workplace safety, stakeholder communication, customer responsiveness.
- **Governance** – management systems, performance monitoring, transparency, conflict of interest, quality systems, ethical practices.
- **Business relevance** – assess the supplier's importance based on procurement spend, material criticality, ease of substitution, supply stability, regulatory compliance, financial strength.
- **Commodity-specific risk** – evaluates ESG risks linked to supply chain structure, labour, resource use, energy, emissions, toxicity, and pollution.
- **Country-specific and commodity specific risk** – as lead is the primary raw material and Exide uses 80 percent of recycled lead in its batteries checks are done on compliance with local laws governing recycling, hazardous waste management, and environmental protection, enforcement level of these regulations and risk of non-compliance, quality of transport, storage, and handling facilities for hazardous materials etc.

Only suppliers that meet these requirements are eligible to be onboarded into Exide's procurement system. Post-onboarding, critical suppliers are identified through an evaluation process.

Scoring Threshold

Suppliers must achieve a minimum score of **50%** to qualify for onboarding.

Supplier category	
Outstanding	>90
Favourable	75-89
Mediocre	60-74
Needs improvement	50-59
Unacceptable	<50

Supplier KPIs		
Indicator	Description	Value
1.1	Total number of Tier-1 suppliers	670
1.2	Total number of significant suppliers in Tier-1	29
1.3	% of total spend on significant suppliers in Tier-1	78.38%
1.4	Total number of significant suppliers in non-Tier-1	0
1.5	Total number of significant suppliers (Tier-1 and non-Tier-1)	29

Step 2: Identification of Critical/Significant Suppliers

Exide identifies critical suppliers using an evaluation framework based on raw material type, replaceability, and spend contribution. Lead, Plastic, Separators, and Sulphuric Acid are classified as strategically critical due to their role in battery manufacturing. ESG assessments have been conducted for 29 critical suppliers, accounting for 78.38% of total spend, enabling focused engagement and sustainability efforts.

Step 3: Annual Supplier ESG Assessment

Critical suppliers undergo an annual ESG evaluation using qualitative and quantitative indicators aligned with global best practices. The assessment covers:

- **Environment** – certifications, energy management, emissions management, water management, waste management, biodiversity
- **Social** – compliance to health & safety measures and implementation of the same, implementation and monitoring of labour standards, training and awareness on OHS and Human Rights, DE&I, human rights compliance and mitigation plans, grievance mechanisms,
- **Governance** – corporate policies, anti-corruption, transparency, data privacy, and code of conduct compliance

The assessment uses a structured supplier assessment scoring mechanism to evaluate responses and disclosures from a questionnaire, with a maximum score of 3 per question and an overall total possible score of 100. Each question is scored across three dimensions—Policy and Commitments, Quantitative, and

Qualitative. To ensure fairness across supplier types, a normalization factor is applied based on the supplier's category (Lead, Plastic, Acid, Separator) and size (large or small) before arriving at the final score.

Based on the total normalized score out of 100, suppliers are classified into three performance buckets:

Score Range	Category	Description
30–60	Beginner	Minimal ESG understanding, needs significant improvement
60–80	Developing	Basic ESG understanding with room for improvement
Above 80	Exemplary	Outstanding performance or understanding of ESG

Coverage and progress of the company's supplier assessment program		
Supplier Assessment – FY 2024	Actual (FY 2024-25)	Target (FY 2024-25)
Total number of suppliers assessed via desk assessments / on-site assessments	29	29
% of unique significant suppliers assessed	100 %	100 %
Number of suppliers assessed with substantial actual/potential negative impacts	24	24
% of suppliers with substantial actual/potential negative impacts with agreed corrective action / improvement plan	100 %	100 %
Number of suppliers with substantial actual/potential negative impacts that were terminated	0	0

This framework enables Exide to benchmark supplier performance, identify risks, and track progress over time. All critical and significant suppliers are required to participate in this annual ESG-based assessment. Other than the suppliers responding to the questionnaire and submitting relevant evidence on which EIL performs desk assessments, EIL procurement team also makes planned annual on-site assessments and audits of these suppliers, where in EIL checks for non-conformities in practices and documentation as submitted in the questionnaire. In cases where non-conformities are identified, suppliers must submit corrective action plans within a stipulated timeframe.

Following the assessment, key improvement areas and gaps are identified and communicated to suppliers in the form of detailed audit reports through digital platforms, emails, and SMS. This ensures suppliers are informed of the actions required and supported in addressing shortcomings.

Step 4: Monitoring and Corrective Actions

To maintain accountability, unplanned and surprise audits are also conducted by EIL procurement team to verify compliance and progress on corrective measures. If suppliers fail to demonstrate adequate improvement, Exide follows a structured escalation approach—starting with warnings, followed by reduction in volume of business and other corrective actions. This process ensures that supplier relationships remain aligned with Exide's sustainability commitments while safeguarding business continuity and overall supply chain integrity.

Coverage and Progress of Suppliers with Corrective Action Plans		
Corrective Action Plan Support – FY 2024	Actual (FY 2024-25)	Target (FY 2024-25)
Total number of suppliers supported in corrective action plan implementation	24	24
% of suppliers with substantial actual/potential negative impacts supported in corrective action plan implementation	100 %	100 %

Step 5: Supplier ESG Development Program

- **Regular Engagement Programs** – Capacity-building sessions, on-site training during supplier visits, and ESG awareness initiatives for key partners.
- **Supplier ESG Readiness Assessments** – Lead and critical suppliers receive first-level ESG readiness scores with identified improvement areas.
- **Continuous Improvement Support** – Remote and on-site guidance provided for corrective and improvement actions.
- **Knowledge Sharing** – Exide disseminates internal policies and best practices to help suppliers design and strengthen ESG-related policies.
- **Technical Assistance Programs** – In-depth technical support and training to enhance supplier ESG performance and overall supply chain sustainability.

Our Flagship ESG Awareness & Supplier Readiness Evaluation Workshop

In **August 2024**, we engaged with over **100** participants from **seven countries** in a hybrid format. The ESG workshop highlighted global and national ESG trends, SEBI requirements, Exide's sustainability roadmap, and supply chain framework, with a special focus on MSMEs. It also addressed preparedness gaps and helped disseminate ESG related awareness among its key supplier landscape.

Supplier - ESG Development Programs

Exide actively supports supplier growth through several ESG Development Programs to strengthen sustainability practices across its value chain. It focuses on regular capacity-building sessions, on-site training during supplier visits and ESG awareness programs for key partners. A major milestone was the ESG Awareness and Supplier Readiness Evaluation Workshop held on August 23, 2024, which brought together over 100 participants (both in-person and virtual from seven countries). The workshop covered global and national ESG trends, SEBI requirements for listed entities, and Exide's sustainability roadmap, while also introducing the Company's supply chain framework and its processes and requirements. Special emphasis was placed on MSMEs, which constitute 16.09% of Exide's procurement base by value of business done, to address ESG preparedness gaps highlighted in an assessment. Through these initiatives, Exide supports suppliers in developing their own ESG-related policies by sharing best practices and providing guidance on system development.

In addition to regular training, Exide Industries actively engages with its lead and critical suppliers based on insights from ESG sustainability assessments. Suppliers are provided with their first-level ESG readiness scores along with clearly identified areas for improvement. To support continuous enhancement, Exide collaborates closely with these suppliers—offering both remote and on-site assistance—to implement corrective and improvement actions. The company also shares relevant internal policies and good practices as references to guide suppliers. Furthermore, in-depth technical support programs are conducted to build supplier capacity and improve their ESG performance, thereby strengthening the overall sustainability of Exide's supply chain.

Coverage and Progress of Suppliers with Corrective Action Plans		
KPIs for Supplier Assessment and/or Development: Coverage and Progress of Suppliers in Capacity-Building Programs		
Capacity-Building Programs – FY 2024	Actual (FY 2024-25)	Target (FY 2024-25)
Total number of suppliers in capacity building programs	29	29
% of unique significant suppliers in capacity building programs	100 %	100 %

Conflict Minerals

The company has policies in place on conflict minerals, including a Sustainable Sourcing & Procurement Policy and a Responsible Mineral Sourcing Policy. The company has a strategy to avoid contributing to conflict through its purchasing practices. It follows a process to track minerals through the supply chain, including assessing their necessity, conducting supplier surveys, verifying responses, and determining country of origin. Where risks are identified, the company develops risk management plans to mitigate or remediate risks at the supplier or smelter/refinery level.

In line with RMI standards and CMRT & EMRT requirements, Exide uses only Tin (one of the 3TG minerals) in its operations and ensures that neither it nor its suppliers have sourced Tin from conflict-affected areas or high-risk zones in the past four reporting periods.

6.Information Security

Over the past decade, the rising frequency and cost of cyber incidents have made information security a critical priority for Exide. Risks from technical failures, human error, attacks, or natural disasters can disrupt operations, compromise data, and damage trust. Ineffective security could lead to downtime, data loss, regulatory fines, reputational harm, or third-party disruptions. With regulators, investors, and customers focusing on cyber resilience, Exide emphasizes safeguarding its digital infrastructure and ensuring business continuity through strong governance, policies, and programs.

Information Security Governance

Exide has a robust governance framework for information security, aligned with ISO 27001:2022. At the board level, oversight is provided by the Risk Committee and a dedicated Information Security Steering Committee (ISSC), chaired by the MD & CEO. To further strengthen this structure, the board also includes a member with an information security background, bringing in specialized expertise that ensures informed and strategic decision-making on cyber risks and resilience.



At the executive level, the Chief Digital Information Officer (CDIO) provides strategic oversight of digital and IT and security initiatives, while the Information Security Lead has responsibility for information security leadership. The Information Security Forum (ISF) supports the Information Security Lead in implementation and monitoring. Internal audits and employee accountability mechanisms further strengthen compliance, while policies on data protection, threat monitoring, and third-party security are regularly reviewed and updated.

ZERO

data breaches
reported in
FY2024-25



Information Security Management Programs

Exide has a comprehensive Information Security Management System (ISMS), aligned with ISO 27001:2022, which ensures systematic protection of information assets and resilience against evolving threats. The ISMS framework is regularly updated through risk assessments, internal audits, and benchmarking against global best practices (NIST CSF, CIS Controls).

The program covers all critical elements of information security management:

- **Business Continuity Planning:** Exide has information security-related continuity and disaster recovery plans in place to ensure minimal disruption during incidents.
- **Vulnerability Analysis & Penetration Testing (VAPT):** Regular VAPT assessments, including penetration testing including simulated hacker attacks and threat intelligence reviews, are conducted to identify and mitigate vulnerabilities.
- **Audits:** Internal audits of IT infrastructure and security systems are carried out at scheduled intervals, while independent **external audits** validate compliance with ISO 27001 and related standards.
- **Incident Reporting & Escalation:** Employees can report incidents, vulnerabilities, or suspicious activities through the helpdesk or whistleblowing channels, supported by a formal escalation process.
- **Training & Awareness:** Regular awareness programs and specialized training ensure employees, contractors, and third parties understand their security responsibilities.
- **Third-Party Oversight:** Supplier contracts include security clauses, and periodic reviews are conducted to assess risks across the supply chain.

7. Product Quality & Recall Management



Exide is committed to delivering safe, reliable, and high-quality products, guided by its publicly available Quality Policy and a culture of continuous improvement. Every year, the company observes Quality Month in November to promote awareness and ownership of product excellence across its workforce.

Quality Management Programs

Exide's Quality Management System (QMS) is certified to ISO 9001 and IATF 16949 standards, ensuring that its practices are benchmarked against globally recognized quality principles. Aligned with these certifications and supported by Total Productivity Management (TPM), the QMS provides a strong foundation for process consistency, defect prevention, and continual improvement.

Defect Prevention & Process Controls: Robust systems are in place to detect and address potential defects before product delivery, thereby reducing the risk of recalls. Tools such as DFMEA, PFMEA, control plans, and layered process audits further strengthen preventive and corrective actions.

Internal and External Audits: Exide upholds transparency and compliance through regular internal audits and accredited third-party external audits under ISO 9001 and IATF 16949 frameworks. Non-conformances are carefully documented, addressed, and reviewed in Management Review Meetings to drive ongoing improvement.

Employee Training: Training is embedded within the QMS to build competence and accountability. Programs include induction sessions, on-the-job training, machine operation modules, and safety workshops, along with specialized ISO/IATF auditor training to equip internal auditors for effective process evaluation.

Customer Feedback & Complaints: Exide provides multiple channels for stakeholders to raise concerns. Packaging includes a dedicated complaint section, and customers can also reach the company through:

- o OEM Customers: exidecare@exide.co.in
- o Retail Customers: indlcare@exide.co.in

Product Recalls

Exide maintains a **zero-recall record**, with no faulty products reported or identified by customers. As a result, it may be noted that no automobiles have been recalled owing to faulty batteries sold by Exide to its OEM customers. Recalls, typically associated with safety issues, have not been applicable to Exide's operations to date.

ZERO

Product recalls
(No Automobiles recalled owing
to faulty batteries supplied by us)



Social Highlights

Social: Topics Covered

1. Labour Practices
2. Human Rights
3. Occupational Health & Safety
4. Human Capital Development

1.Labor Practices

Exide Industries Limited is committed to upholding strong labour practices and human rights across its operations and value chain. Guided by a comprehensive Human Rights Policy applicable to its own workforce, suppliers, contractual labour, and business partners, the company ensures respect for fundamental rights and fair labour standards. Through dedicated programs, initiatives, and ongoing monitoring, Exide actively promotes safe working conditions, non-discrimination, fair wages, and freedom of association, demonstrating its commitment to ethical labour practices throughout its ecosystem.

The following are some of the practices that the company adopts to maintain its commitment to its Human Rights Policy:



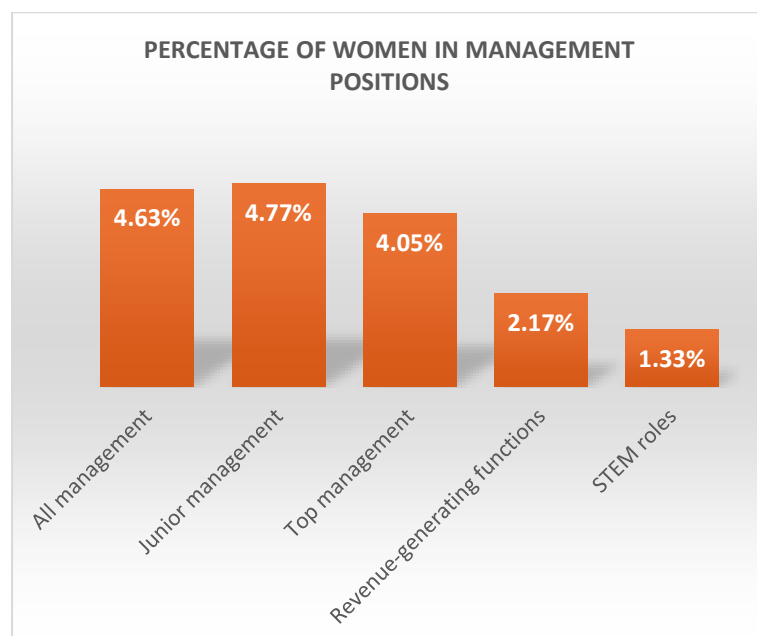
1. **Wages Aligned with Cost of Living** - Exide Industries Limited ensures that all employees, including contractual workers, are paid wages above the minimum levels prescribed by the respective state governments. In compliance with the Minimum Wages Act, 1948, the company upholds fair pay practices that support a basic standard of living for workers.
2. **Working Hours and Overtime Compliance** - Exide Industries Limited monitors working hours through a biometric system to ensure compliance with the statutory limits under the Factories Act of India. Employees are fairly compensated for overtime, in adherence to all applicable labour laws.
3. **Ongoing Engagement with Workers' Representatives** - Exide Industries Limited maintains ongoing engagement with workers' representatives through regular Safety Committee and Works Committee meetings at the plant level. These forums facilitate open dialogue on working conditions, employee well-being, and workplace safety, ensuring collaborative resolution of concerns.
4. **Freedom of association and collective bargaining** - Exide Industries Limited supports freedom of association and collective bargaining, with employee trade unions actively functioning across its operations. The company maintains regular engagement with union representatives to address worker concerns and strengthen dialogue. It also conducts periodic training for union members on human rights, labour laws, employee benefits, and workplace procedures to promote informed participation and mutual understanding.
5. **Promote Equitable and Inclusive Workplace Benefits** - Exide Industries Limited maintains a zero-tolerance policy towards any form of discrimination or harassment based on gender, race, nationality, or cultural background, besides being committed to fair and equitable pay practices. In addition to statutory benefits like Provident Fund and Gratuity, all employees are provided with enhanced social protection, including access to medical services, insurance coverage, and other welfare benefits.

6. **Workforce Reskilling for Industrial and Climate Transitions** - Exide Industries Limited actively engages in workforce reskilling and upskilling to prepare employees for changes driven by industrial advancements and climate transition. Training programs focus on emerging technologies, energy-efficient practices, and sustainable operations to ensure employees remain adaptable and future-ready.

Exide Industries Limited is committed to fostering a diverse, inclusive, and equitable workplace where all employees feel valued and respected. The company promotes equal opportunity in recruitment, development, and advancement, regardless of gender, background, or personal characteristics.

4.63%

Of female in management staff and 2.38% female in overall workforce.



2.6X

Increase in the no. of differently abled workforce (contractual workers) in the past 2 years

25%

Increase in female workers (contractual) on the shop-floor through gender-focused initiatives

Employee level (Annual) - INR	Average female salary	Average male salary
Executive level (base salary only)	21,33,780	35,41,920
Management level (base salary only)	5,13,168	5,20,392
Non-management level (base salary only)	1,62,228	1,44,276

2. Human Rights



Exide Industries Limited is committed to upholding fundamental human rights across all its operations, guided by a comprehensive Human Rights Policy. This policy aligns with international standards, including the International Labour Organization (ILO) conventions and the SA8000 social accountability framework, ensuring respect for labour rights, fair treatment, and safe working conditions throughout the company and its supply chain.

Human Rights due diligence: Exide Industries Limited conducts thorough Human Rights due diligence as part of its commitment to responsible business practices, leveraging the SMETA (SEDEX Members Ethical Trade Audit) certification process. This comprehensive audit framework helps identify actual or potential human rights issues such as child labour, forced labour, discrimination, unsafe working conditions, and unfair wages. The due diligence process particularly focuses on vulnerable groups at risk, including contract workers, migrant labourers, women, and other marginalized populations within the workforce. By proactively addressing these risks, Exide ensures compliance with international labour standards and fosters a safe, fair, and inclusive working environment across its operations and supply chain. The SMETA audits take place annually. At present 2 out of its 10 manufacturing facilities have obtained this certification. The company is in the process of expanding the certification to the rest of its manufacturing units.

Human Rights internal audits: EIL also conducts internal audits of 100 percent of its own operations annually to ensure compliance with human rights obligations and other certifications. These audits focus on key Human Rights-related issues such as adherence to contract labour laws, provision of compulsory off time and weekly offs to workmen, prevention of excessive overtime and working hours, prohibition of child and forced labour, and timely payment of wages to contract employees.

Exide Industries Limited has adopted a proactive approach to human rights risk mitigation through structured assessments, continuous engagement, and corrective action planning. Wherever potential or actual human rights issues are identified—such as excessive working hours, wage-related non-compliance, or lack of representation—targeted mitigation measures are implemented. These include:

- Corrective Action Plans (CAPs) developed post-audit (e.g., SMETA), with clear timelines and accountability.
- Supplier and employee capacity building through training sessions on labour rights, anti-discrimination, and ethical recruitment practices.
- Remediation mechanisms such as grievance redressal forums and whistle blower channels such as Grievances Portal and Apex Grievance Redressal Committee and to address violations promptly and confidentially.
- Regular monitoring and follow-ups to ensure closure of non-conformances and to prevent recurrence.
- Policy reinforcement through mandatory adherence to the Human Rights Policy, Code of Conduct for employees and Supplier Code of Conduct.

Category	% of total assessed in the last 3 years	% of total assessed where risks were identified	% of risk with mitigation action taken
Own operations (including joint ventures where the company has management control)	20%	0%	0%

3. Occupational Health & Safety

Exide Industries Limited's Environment, Health & Safety (EHS) framework is built on vigilance, accountability, and proactive risk management. The company empowers its workforce through strong leadership support, structured training, and continuous development initiatives.



The OHS management system consists of the following:

1. **Risk Identification and assessment:** Hazards are identified using the HIRA (Hazard Identification and Risk Assessment) framework, and all plants follow Standard Operating Procedures (SOPs) for safety, including hazardous chemical handling and PPE usage.
2. **Monitoring, evaluation and audits:** The company regularly evaluates progress against defined health and safety targets to track improvements and risk reduction. This includes structured internal inspections and independent external audits as part of its ISO 45001:2018 certification. Certified third-

party agencies conduct external verifications to ensure robust OHS compliance and continuous improvement.

3. **Incident investigation and reporting:** Exide Industries follows a robust safety framework with daily KRA tracking and monthly MIS reports for real-time monitoring. Key metrics like Lost Time Injuries and audit scores drive continuous improvement, with UA/UC reporting targets achieving over 90% improvement. Major incidents undergo root-cause analysis, supported by ISO 45001:2018 certification and regular audits to ensure strong OHS compliance.
4. **Emergency preparedness and risk mitigation** - Exide Industries Limited has a well-defined Emergency Response Plan in place across all manufacturing locations, covering scenarios such as fire, chemical spills, and natural disasters. The company also prioritizes and integrates corrective action plans with clearly defined, quantified targets to address identified EHS risks, ensuring that mitigation efforts are measurable, time-bound, and aligned with its overall risk management strategy.
5. **Training and awareness:** Exide Industries Limited leverages data from Unsafe Acts/Unsafe Conditions (UA/UC) reports and employee feedback to recalibrate its safety trainings and strengthen operational controls. Regular OHS training is conducted for employees, contractual staff, and relevant stakeholders to build awareness, reinforce safe behaviour, and reduce workplace incidents.
6. **Supplier Health & Safety Compliance:** Exide Industries Limited incorporates ISO 45001 health and safety criteria directly into its Purchase Orders to ensure alignment with global OHS standards. Additionally, health, safety, and overall working conditions are key parameters in the company's supplier onboarding and ESG assessment frameworks, reinforcing its commitment to responsible and safe supply chain practices.

Our safety performance for the last 4 years is summarised below:

Safety KPI	Workforce category	FY2021-22	FY2022-23	FY2023-24	FY2024-25
Fatalities	Employees	0	0	0	0
	Contractual workers	0	0	1	0
Lost Time Injury Frequency Rate (incidents/1000000 hours worked)	Employees	0	0	0	0
	Contractual Workers	0.20	0.06	0.12	0.10
Unsafe Conditions Unsafe Actions (UCUA)	Employees & Workers	84%	92%	87%	92%

4.Human Capital Development

Exide Industries Limited views human capital development as a strategic priority essential to driving innovation, operational excellence, and sustainable growth. The company is committed to nurturing talent through continuous learning, skill enhancement, and leadership development programs tailored to meet evolving industry demands. By fostering a culture of empowerment and collaboration, Exide ensures that its workforce remains agile, competent, and motivated to contribute effectively to the company's long-term success.

Learning and development

Our learning and development framework is as below:



Learning academies

Specialised academies for Sales, Service and Manufacturing to provide targeted functional training



Behavioural specialised training

Learning and Organisational Development strengthen, interpersonal skills, teamwork and effectiveness



Leadership development

Tailored programmes to cultivate leadership capabilities and prepare future-ready leaders

Training and development initiatives

- **Train the trainer** - focused on strengthening our internal training ecosystem, it helps equip employees to lead learning sessions across the organisation.
- **Exide Elevate** - structured mentor-mentee program to support leadership development and knowledge transfer across levels. These programs foster personalized learning, career guidance, and stronger engagement between experienced leaders and emerging talent.
- **Lead@Exide** - Our signature and flagship leadership development initiative is aimed at equipping mid-level managers with the skills and mindset needed for senior roles. It plays a critical role in building a robust internal leadership pipeline aligned with Exide's long-term growth strategy.
- **Gurukul training centre** - is designed to empower workers with the skills required to excel on the shop floor. Through hands-on technical training, workers gain the confidence to handle tasks efficiently and with precision.
- **Trainings for contractual workers** - The company provides dedicated health and safety training along with skill upgradation programs for contractual workers, ensuring they are equipped to perform their roles safely and efficiently while enhancing their technical capabilities and employability.
- **Sales Academies** - comprehensive training programs covering areas such as auto management, auto sales and service onboarding, industrial sales, SAP usage, product knowledge, industrial products, and business excellence—designed to equip our contractual employees with the skills and expertise required to enhance performance, customer engagement, and operational efficiency across diverse market segments.
- **Digital transition training:** Employees are being trained on the use of new Industry 4.0 tools and the Warehouse Management System (WMS) to ensure smooth adoption, enhance operational efficiency, and build capabilities in areas such as yield optimization, FIFO adherence, traceability, and inventory management during the digital transition.
- **Cultural interactions** – We organize company-wide Holi celebrations and Rangoli-making competitions across all our locations in India, along with regional festivals celebrated at different sites. Updates and highlights are shared on the intranet to build awareness of diverse cultures and traditions. Additionally, we celebrate International Yoga Day at all locations to promote Indian culture and well-being among employees.

1,925 (INR) Average
training cost per FTE

9.20 Average hours of
training per FTE

Besides, the company also has ongoing virtual training modules to which employees must comply with every half-yearly basis. The module includes topics such as POSH, Human rights, data security, ABAC & cybersecurity and data protection.

Employee support programs

Our employee benefits and support programs include the following:

- **Workplace stress management** – Exide Industries Limited promotes employee well-being through a range of health and wellness initiatives across its locations. Regular factory-level sessions include visits by medical doctors and yoga-based stress management programs. Additionally, medical facilities are available at the Head Office and regional offices, complemented by awareness campaigns such as breast cancer screenings and special health and wellness drives on occasions like Women's Day.
- **Sports and health initiatives** – At Exide, employee engagement goes beyond daily responsibilities to foster camaraderie and team spirit. The Exide Premier League (EPL), now in its 6th edition, is not just a sporting event but a celebration of collaboration and connection. Through games like Cricket, Badminton, Table Tennis, and Carrom, employees across locations come together to compete, bond, and build lasting memories.
- **Work from home arrangements** - Exide Industries Limited offers a supportive hybrid working policy exclusively for young working mothers. Under this policy, young mothers 50% work from home for the first year after maternity leave and 7 WFH days per month until the child turns five-year-old.
- **Paid parental leave** - We offer 7 days of fully paid paternity leave, available within 6 months of childbirth. The benefit is further extended to adoptive parents of infants under 3 months. We also offer 26 weeks of fully paid maternity leave as per statute.
- **Flexible working hours** – The company offers flexibility to workers at its manufacturing units by allowing shift adjustments on a need basis in cases of family emergencies. Additionally, employees at factory locations are provided compensatory off in accordance with statutory provisions, enabling them to take leave within the next three working days if they work on their scheduled day off.

Performance Appraisal

Exide Industries Limited has institutionalized a comprehensive and structured performance management system to drive alignment, accountability, and talent development across the organization.

- Performance appraisals are conducted twice a year via SAP SuccessFactors for all management staff.
- Appraisal process includes self-assessment, manager review, and feedback validation, and cannot be completed until the assessed acknowledges receipt and discussion of feedback.
- Individual KRAs are aligned with both vertical-specific objectives and broader organizational goals.
- Multidimensional appraisals are conducted for middle management, and cross-functional collaboration is a key evaluation metric.
- Feedback is ongoing throughout the year, with managers trained in delivering constructive feedback.
- A People Committee facilitates Potential Surveys to identify and nurture high-potential employees.
- Exide Leadership Competency Survey (ELCS) results feed into the talent grid for succession planning and development.

Employee Satisfaction Survey



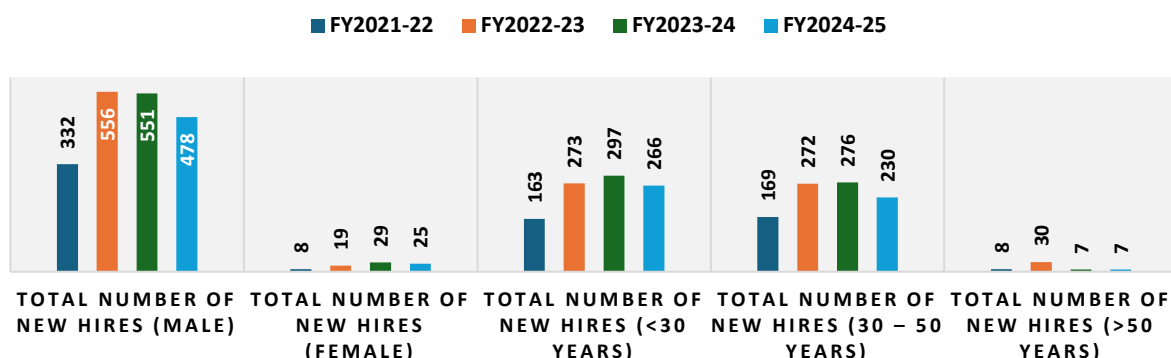
In 2024, Exide Industries Limited undertook an Organizational Health Index (OHI) survey in collaboration with McKinsey & Company to assess the overall health and effectiveness of the organization with a 85% participation rate of employees. The survey explored key dimensions such as Direction and Common Purpose, Leadership, Work Environment, Accountability, Coordination and Control, Capability, Motivation, Innovation and Learning, and External Orientation. This initiative provided valuable insights into employee perceptions and organizational strengths, helping Exide shape targeted actions for continuous improvement and long-term performance.

70
Employee Satisfaction
(OHI) score

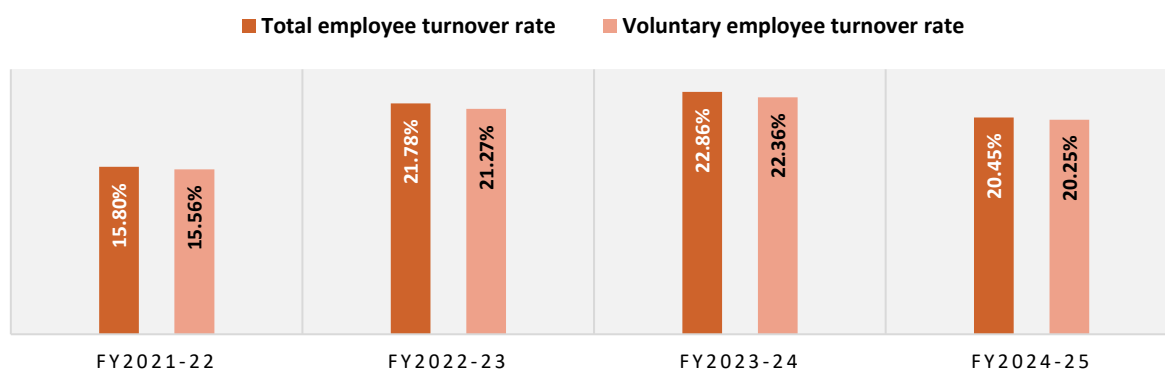
Hiring Details

	Details of Hiring			
	FY2021-22	FY2022-23	FY2023-24	FY2024-25
Total number of new hires	340	575	580	503
Percentage of open positions filled by internal hires	5.55%	6.5%	7.05%	8.04%
Average hiring cost per FTE (INR)	15,618	71,886	43,995	77,611

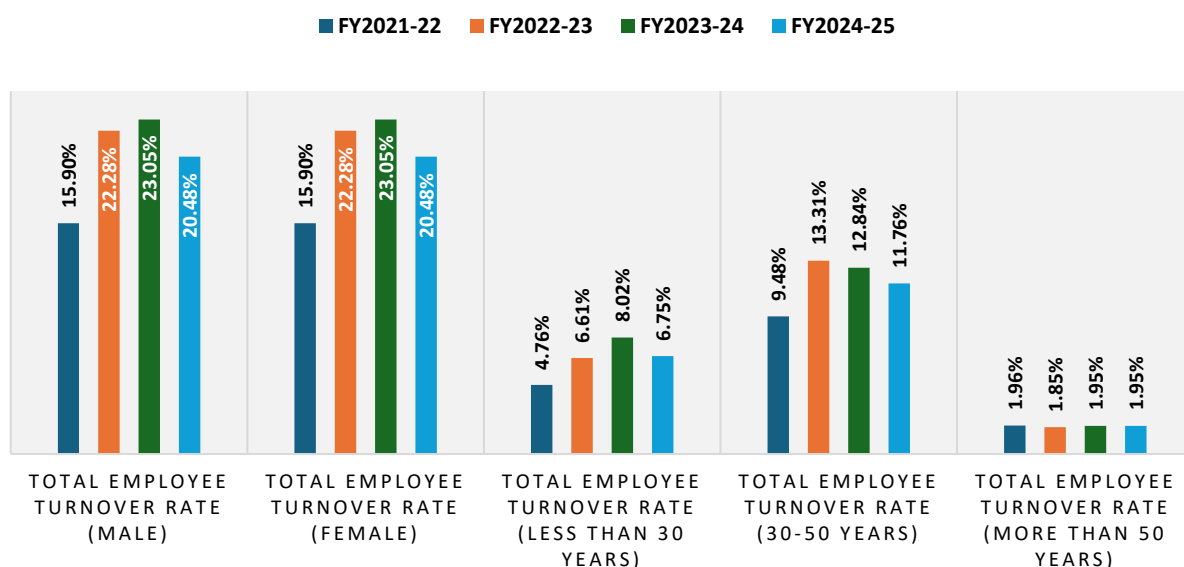
HIRING DETAILS



TURNOVER DETAILS



EMPLOYEE TURNOVER RATE



Environmental Highlights



Topics covered

1. Environmental Management
2. Energy Management
3. Waste Management
4. Water Management
5. Biodiversity
6. Climate Strategy
7. Product Stewardship
8. Sustainable Raw Materials

1.Environmental Management

Exide Industries Limited follows a structured management approach to minimise the environmental footprint of its operations. Sustainability practices are integrated into every stage of the value chain, guided by defined targets and focused strategies in areas such as climate protection, water conservation—particularly in regions facing stress—and material circularity. Regular reviews of performance and proactive engagement with stakeholders ensure compliance with the company's Environmental Management System while helping to identify and address potential risks. To strengthen this approach, all manufacturing units, offices and R&D facilities have established Environmental Management Systems which are ISO 14001:2015 certified, aligning operations with global best practices and reinforcing Exide's commitment to sustainable growth.

ZERO Environmental Violations

The company has not paid any significant fines related to environmental or ecological issues in the past four fiscal years.

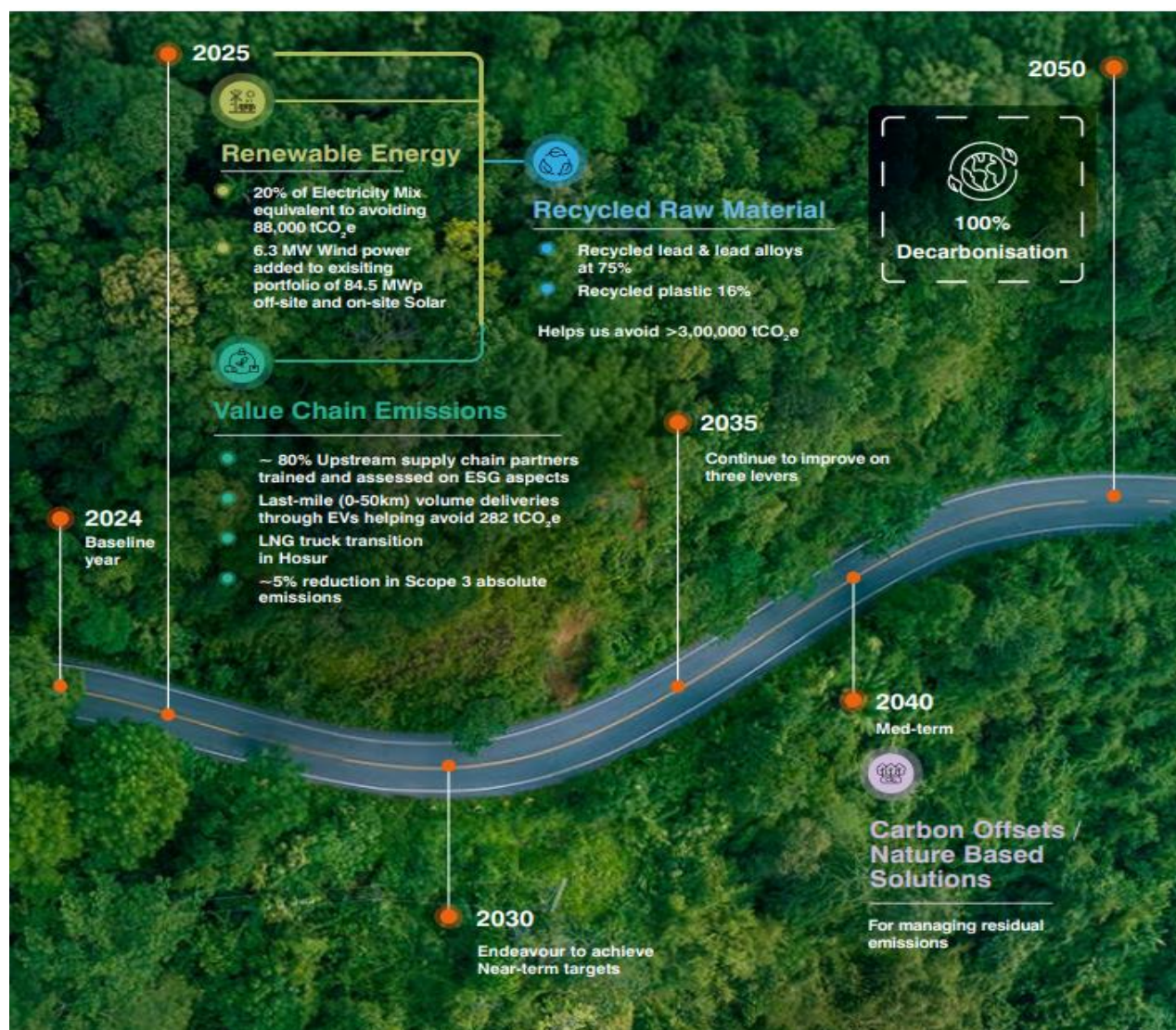
2. Energy Management

The company views energy management not merely as an operational requirement, but as a driver of cleaner and more resilient growth. Anchored in a structured energy policy, the company is committed to achieving net-zero emissions by 2050, supported by 20% renewable electricity share, 6.3 MW wind and 84.5 MWp solar capacity, ESG training for suppliers, EV-based last-mile logistics, LNG trucks, and increased use of recycled lead (75%) and plastic (16%), etc. Energy management practices are integrated into daily operations, supported by plant-level utility team that monitor performance, identify opportunities, and drive improvement projects through cross-functional collaboration.

In line with this approach, Exide has obtained ISO 50001 certification for its Hosur plant and is actively working to extend this certification to other facilities. This reinforces its commitment to systematic energy management and continuous improvement. To align with the objectives of ISO 50001 and its net-zero pathway, the company has introduced a range of initiatives and programs

designed to optimise energy use, promote conservation, and expand the share of renewable sources in its overall energy mix.

Decarbonisation Roadmap

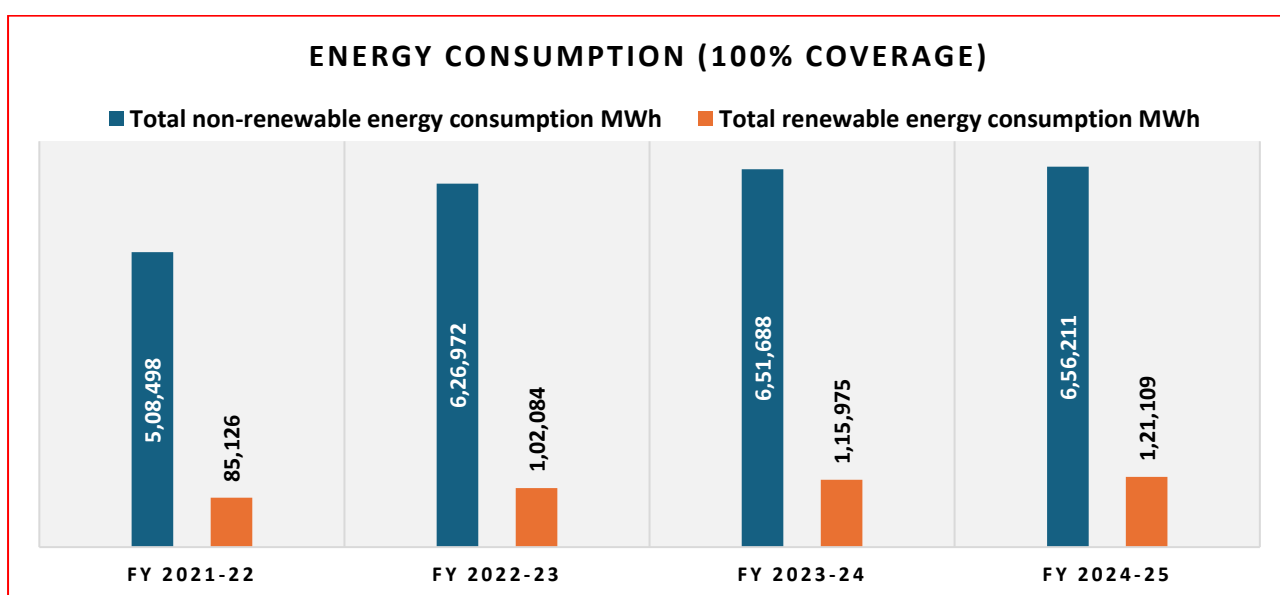


To achieve its net-zero goals, Exide has undertaken the following initiatives:

- **Energy Audits** – As part of the ISO 50001 framework, internal and external energy audits are conducted annually to identify opportunities, enhance efficiency, and reduce consumption. Key audit parameters include energy planning, operational control, monitoring of Significant Energy Uses (SEUs), and compliance checks. Energy data is monitored quarterly, and sites showing high alerts are internally audited bi-annually or quarterly.
- **Efficiency & Conservation** – Adoption of energy-efficient equipment, clean fuel transition, process optimisation, and advanced monitoring. Key projects delivered major results, including 60% savings

in Ball Mill operations, 45% reduction from chiller upgrades, 38% lower compressor energy use, 28% GHG reduction from cubing machines, 19% savings through waste-heat recovery, 18% GHG reduction from jar formation optimisation, IoT-based compressed air monitoring, etc.

- **Green Energy Use** – Maintained over 20% renewable energy share in its power mix through solar, wind, and open-access green power. It is also advancing clean fuel adoption in DG sets and transitioning to EV-based logistics. As part of its ongoing efforts, the company added 6.3 MW of wind power in Tamil Nadu during the year and is expected to commission an additional 14 MWp of solar capacity in Haryana and 12.6 MW of wind power in Maharashtra and Tamil Nadu by FY 2025–26.
- **Innovation & R&D** – Transition to Concast (continuous casting), adoption of progressive punch plates, and advanced manufacturing processes reduced scrap and energy use. ₹80 crore invested in R&D over the last three years to support such innovations.
- **Employee Training & Awareness** – Energy efficiency training embedded in ISO 50001, on-the-job guidance for new equipment, ESG training modules, and awareness programs across all employee levels.
- **Monitoring & Evaluation** – Monthly Business Review Committee meetings are conducted to monitor progress on sustainability initiatives and review performance against energy reduction targets to track progress against the targets.



3.Waste Management

From source segregation to co-processing and safe disposal, all stages are managed to reduce environmental burden, improve material efficiency, and minimize landfill dependency while enhancing recyclability.

To achieve its Zero Waste to Landfill by 2030 goal and reduce waste per unit of output by 30%, Exide has implemented the following measures:

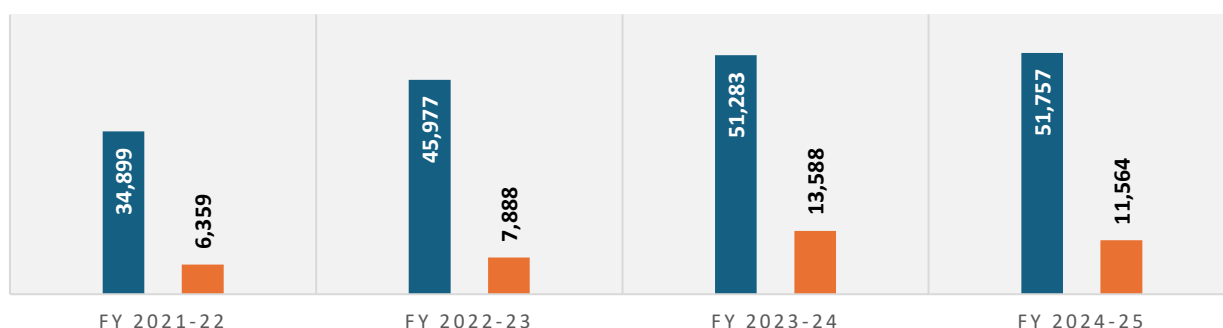
- **Waste audits** – The company conducts regular cross-functional, rotational EHS corporate audits to identify opportunities for improving waste performance. Audits follow a defined checklist, with observations documented in a structured sheet. Feedback is collected, and corrective actions are implemented accordingly.
- **Action plans to reduce waste generation –**
 - ✓ Achieved up to 95% recycling rate for lead and plastics through process improvements and closed-loop systems.
 - ✓ Four facilities deploy digital tracking and real-time monitoring for waste segregation, traceability, and compliance.
 - ✓ Eliminated single-use plastics using reusable bins and material substitution in packaging and logistics.
 - ✓ Co-processing ETP sludge and PE separators in cement manufacturing as alternative raw materials.
 - ✓ Hazardous waste is recycled through certified, transparent partnerships ensuring full compliance.
 - ✓ Predictive analytics reduce chemical use and sludge generation, while EPR and reverse logistics enable plastic container reuse and support a circular economy.
- **Investments in innovation and R&D** – Advanced material science, cell chemistry, 3D printing, CNC machining, and analytical tools (Auto Labs, XRD, Gas Chromatographs) optimize raw material use, reduce scrap, and enable efficient product design. Collaborations and technology licensing bring global best practices to Indian operations. Product innovations (EFB, AGM, tubular processes) improve efficiency and product life, lowering replacement waste.
- **Employee training** – The company conducts awareness and training programs across all employee groups to strengthen waste reduction practices. Training covers biomedical waste segregation, acid handling and disposal, hazardous and toxic chemical disposal, and overall waste management procedures, ensuring employees are equipped to manage and reduce waste safely and effectively.
- **Recycling programs** – Exide Industries, through its subsidiary Chloride Metals Ltd (CML), has implemented a robust recycling program that sources 53% of lead and alloys via a closed-loop process, resulting in a 43% reduction in landfill waste compared to FY 2022–23. CML also reclaims lead alloys and recycles 9,000 MT of plastics annually for battery production. Additionally, refining

waste is minimized using producer gas systems and acid-neutralization ETPs, further supporting sustainable and resource-efficient operations.

- Extended Producer Responsibility (EPR) programs for batteries, plastics, and e-waste ensure materials are collected, reprocessed, and reintegrated into production.
- ✓ Applied a 3R strategy (Reduce, Reuse, Recycle) across operations.
- ✓ Includes water reuse and recirculation, supporting sustainable and circular waste management.
- ✓ Wastes diverted from landfill are sold to recyclers authorised by the Central Pollution Control Board, with related disclosures independently verified by a third party in Exide's BRSR.

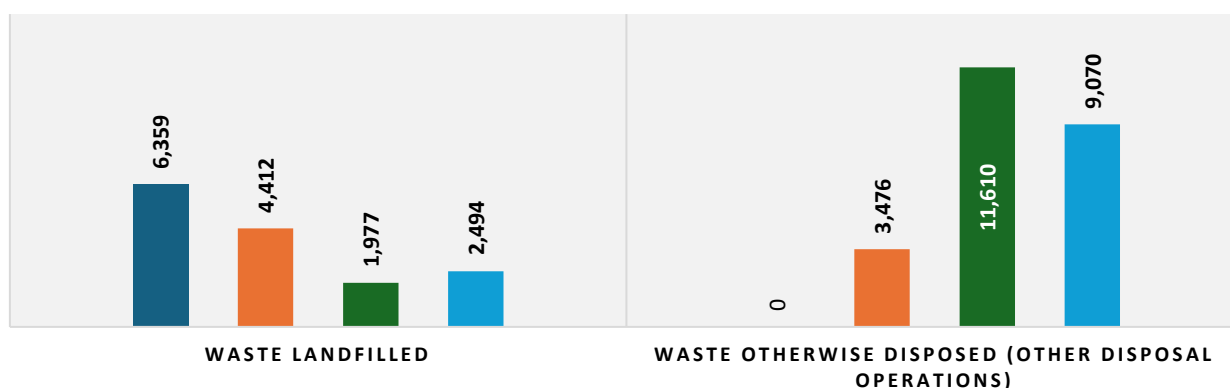
SOLID WASTE RECYCLED / REUSED AND DISPOSED (MT) (100% COVERAGE)

■ Total waste recycled/reused metric tonnes ■ Total waste disposed metric tonnes



WASTE DISPOSAL BY METHOD (MT)

■ FY 2021-22 ■ FY 2022-23 ■ FY 2023-24 ■ FY 2024-25

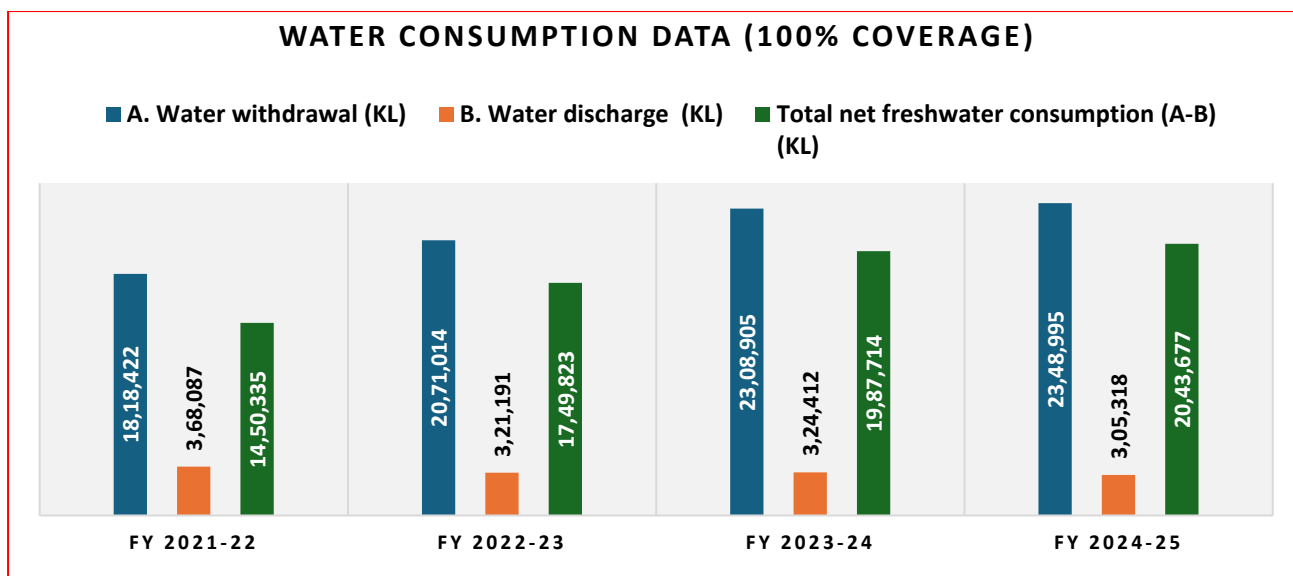


4. Water Management



The company acknowledges the growing water scarcity in various regions and recognises the interconnection between the water cycle and the impacts of climate change. Aiming to become water neutral by 2035, it has adopted a comprehensive water management approach that integrates site-specific interventions, centralised strategies, and community-based initiatives. With eleven manufacturing facilities across India, the company is steadily reducing water intensity—achieving a 3% annual increase in recycling and treatment—while focusing on optimising water use, enhancing wastewater treatment, and contributing to local water security through restoration projects.

- **Water use assessment to identify opportunities for water efficiency improvements:** Site-level assessments are regularly conducted to identify high-consumption areas and potential efficiency measures across all manufacturing facilities.
- **Actions to reduce water consumption:** Location-specific measures include condensate recovery and multi-stage filtration at Hosur, rinse water recovery at Ahmednagar and STP efficiency upgrades at Taloja, significantly reducing freshwater intake.
- **Zero Liquid Discharge -** Three facilities operate Zero Liquid Discharge (ZLD) systems using reverse osmosis and evaporation, while another has achieved zero discharge through advanced reuse and recycling systems. This initiative ensures that no water is discharged and all wastewater undergoes tertiary level of treatment to make it suitable for use.
- **Water recycling:** The company recycles water through condensate and rinse water recovery, multi-stage filtration, and ZLD systems using reverse osmosis and evaporation, achieving a 3% year-on-year increase in water recycling and reducing freshwater dependence.
- **Training and Awareness:** Employees are engaged through awareness and training programs, ensuring water efficiency management becomes a shared responsibility across operations
- **Community-based initiatives:** Pond restoration under Project Paryavaran conserves 17,500 KL of water annually, enhances groundwater recharge, and supports local biodiversity.



5. Biodiversity

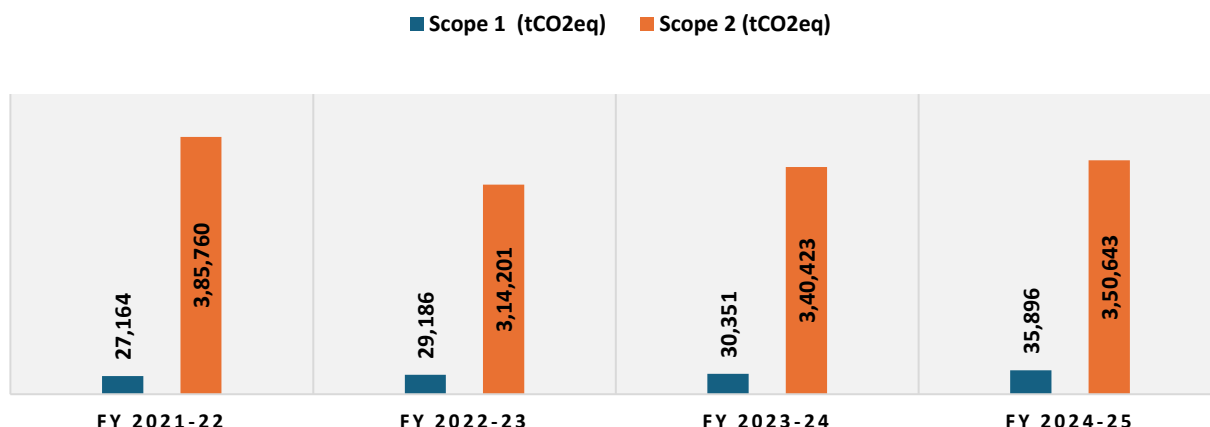
Guided by its Biodiversity Policy, Exide Industries aligns its operations with its commitments to protect and conserve biodiversity. None of its manufacturing sites are in or near ecologically sensitive zones, biodiversity hotspots, or areas surrounding IUCN Red List species. While the company does not have a publicly available "no deforestation" commitment, its practices are designed to minimize biodiversity loss, and its operations are managed to reduce environmental harm.

6. Climate Strategy

Emissions Management

The company is undertaking a deliberate transition to renewable energy as part of its commitment to cleaner manufacturing, with a target to achieve net-zero emissions by 2050. This approach aims to reduce reliance on conventional energy sources while future-proofing operations against regulatory, environmental, and cost-related risks. The journey is supported by internal capacity building, strategic procurement, and long-term planning across sites. Our emission inventory for FY 2024–25 is:

DIRECT EMISSION(SCOPE 1) & INDIRECT EMISSION (SCOPE 2) (100% COVERAGE)



Scope 3 Category	Emissions in the reporting year (Metric tonnes CO ₂ e)	Emissions calculation methodology and exclusions
1. Purchased goods and services	5,47,259.85	Spend-based method
2. Capital goods	6,265.61	Spend-based method
3. Fuel- and energy-related activities (not included in Scope 1 or 2)	1,11,480.32	Activity based, Average-data method
4. Upstream transportation and distribution	53,305.59	Spend based, Category 4 and 9 results are combined (this is reported in line with GHG Corporate Accounting Standards Provisions)
5. Waste generated in operations	2,459.13	Waste-type-specific method
6. Business travel	2,515.90	Spend-based method
7. Employee commuting	4,300.36	Distance-based method
8. Upstream leased assets	1,639.71	Asset-specific method
9. Downstream transportation and distribution	Spend based, Category 4 and 9 results are combined (this is reported in line with GHG Corporate Accounting Standards provisions)	
12. End-of-life treatment of sold products	1,40,228.79	Waste-type-specific method
TOTAL	8,69,455.26	

Climate Risk Assessment and Management at EIL

Exide Industries integrates climate-related risks and opportunities into its company-wide Enterprise Risk Management (ERM) program, alongside other risks and opportunities. The risk identification process uses qualitative site assessments and various climate risk assessment tools like the World Resource Institute Aqueduct tool, the World Bank Knowledge Portal and CGWA notifications to evaluate hazards like floods, heat, drought, and water stress on a 1–5 severity scale across. Inputs from site registers, historical data, and

geographic assessments are used to prioritize risks and guide adaptation measures, governance, and investment planning.

Types of Physical Risks identified

Site name	Flood/storm surge	Cyclone	Heat wave	Water shortage
Haldia	Very High	Very High	Medium	Medium-high
Shamnagar	Very High	Very High	Medium	Medium
Hosur	Medium	Medium	Medium high	Medium high
Ahmednagar	Medium high	Medium	Medium high	Very high
Chinchwad	Medium high	Medium	Medium high	Medium
Taloja	Medium	Medium High	Medium	Medium
Bawal	Medium	Medium	Medium high	Very high

Types of Transition Risks & opportunities identified

Timeframe	Transition risk category	Risks	Opportunities
Short Term (2025–2030)	Policy & Regulation	Stricter regulations, early enforcement of Extended Producer Responsibility (EPR), rising carbon prices	Scaling renewable energy procurement, efficient water reuse systems
	Market & Customer	Increasing customer demands for low-carbon products	Investing in low carbon products, batteries for last-mile efficiency, Li-ion batteries
Medium term (2030-2025)	Policy & Regulation	Policy interventions like EV incentives, rooftop solar acceleration	Accelerating adoption of new technologies
	Technology	Upgrades in energy storage systems, lead-acid alternatives, auxiliary power solutions	Creating new product lines aligned with sustainability trends; first mover-advantage
Long term (2035-2050)	Policy & Regulation	Uncertainties in climate scenarios, regulatory frameworks	Aligning with global decarbonization pathways, achieving net-zero emissions by 2050

Timeframe	Transition risk category	Risks	Opportunities
	Resource availability	Water scarcity affecting operations	Becoming water-neutral by 2035, expanding into new energy markets
	Market & Customer	Evolving customer expectations, demand for sustainable products	Leveraging circular economy solutions to enhance competitiveness

Climate strategy resilience

Exide's strategy has been stress-tested against two contrasting climate pathways: the IEA Net Zero Emissions (NZE) 2050 scenario representing rapid decarbonization, and the mid-range warming (SSP2-4.5) scenario representing moderate policy and slower action. Under the IEA NZE pathway, stringent carbon pricing and accelerated renewable energy uptake challenge cost structures but open opportunities for early movers. In contrast, the mid-range scenario presents gradual market shifts with slower regulatory action, allowing for phased adaptation but prolonged uncertainty.

Element	IEA NZE 2050 (1.5°C)	Mid-range warming (SSP2-4.5)
Temperature pathway	Rapid decarbonization; electrification & efficiency surge	Moderate policy; slower decarbonization
Carbon price (2030, illustrative)	High; steeply rising (≥USD 100/tCO ₂ in many markets)	Moderate (USD 30–60/tCO ₂ by 2030)
Power mix & prices	Accelerated RE penetration; declining LCOE for solar/wind	Mixed grid decarbonization; price volatility
Customer/OEM asks	Aggressive Scope 3 asks; low-carbon materials/packaging	Gradual OEM asks; uneven uptake
EPR & compliance costs	Earlier & stricter implementation; higher compliance effort	Steady ramp-up; moderate costs
Physical hazard frequency	Hazards persist; adaptation mitigates long-term risk	Higher frequency/severity in vulnerable zones

The company's resilience lies in its multi-layered approach:

- Diversifying into new technologies and renewable energy sources to buffer against policy shifts.
- Prioritizing site-specific adaptation investments to mitigate operational disruptions.
- Leveraging circular economy practices to reduce dependency on virgin resources.
- Maintaining robust governance through ISO-aligned risk management and enterprise registers that ensure continuity across scenarios.

Climate risk mitigation measures

- Monsoon SOPs and drainage upgrades at flood-prone sites.
- Water reuse and recharge strategies at drought-affected locations.
- Heat-stress protocols, including protective equipment and process adjustments.
- ESG screening for suppliers to ensure alignment with sustainability standards.
- Governance oversight is provided by the Board and Risk Management Committee, ensuring cross-functional coordination between operations, finance, and sustainability teams.

Physical risk adaptation and mitigation measures

- Drainage and flood-proofing: Coastal sites receive targeted investments to enhance flood resilience.
- Water reuse and recharge: Water-stressed sites implement harvesting and recharge systems
- Heat resilience: Process cooling, ventilation improvements, and PPE upgrades are rolled out
- Emergency power and critical spares: Backup systems ensure continuity during extreme events
- Data-driven early warning systems: Sensor networks and forecasting tools are deployed to enhance preparedness

These measures are backed by ongoing monitoring, financial planning, and site-specific interventions, ensuring that physical risks are addressed in a structured, data-driven manner to safeguard long-term operational resilience.

7. Product Stewardship

Exide Industries Limited places strong emphasis on product stewardship by integrating a Life Cycle Assessment (LCA) approach to evaluate the environmental and social impacts of its products. The company has set a target to conduct LCAs for each product category by 2030, and in June 2024, it completed cradle-to-grave full LCA for key products in the Automotive Battery (FML5-ML38B20L) and Industrial Battery (FE04-EP42-12) categories using the ReCiPe 2016 – Midpoint methodology with the help of SimaPro v9.5.0 software. The LCA was conducted by an independent external agency and is aligned to ISO14040 and ISO14044 conducted by an independent external agency. Together, these two products accounts for over 2% of total turnover of the company. The higher recycled lead content (**90%+**) in both **FE04EP42** and **ML38B20L** significantly reduces their environmental impact in certain life cycle phases—particularly cradle-to-gate and disposal—demonstrating the positive role of recycling in lowering overall climate change impact.

Hazardous Substances & Recycling

Exide actively manages its exposure to hazardous substances, with ~99% of its lead-acid batteries being recyclable. Through a closed-loop take-back system, it recovers 70% from the automotive and 60% from the industrial sector. Its backward integration with Chloride Metals Limited (CML) - a wholly owned subsidiary of Exide and one of India's only integrated recycling facilities—enables industry-leading lead recovery, with **~75%** of lead reclaimed and reused. Advanced recycling technologies and waste management systems ensure efficient, high-quality, and circular material use, reducing reliance on pure lead and minimizing environmental impact.

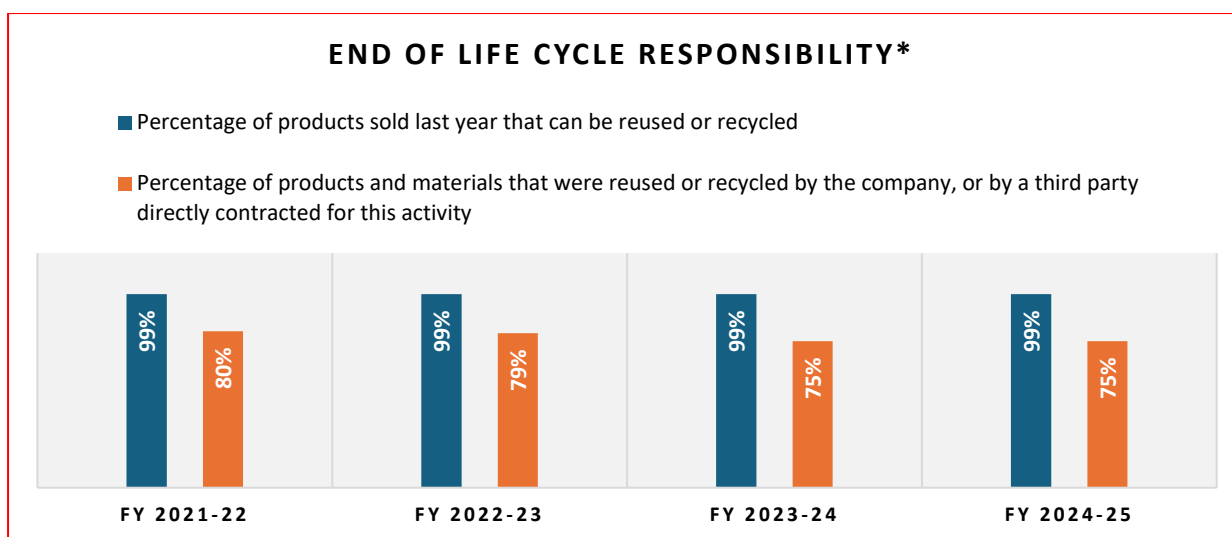
Hazardous substances exposure risk assessment

The company conducts risk assessments using MSDS for hazardous substances, detailing health, environmental, and physical hazards with mitigation measures. Lead and sulphuric acid are regularly monitored, including periodic blood lead tests, with safe handling practices as per MSDS and EHS guidelines. Through its Closed-Loop Mechanism (CML), Exide channels 100% of lead back for reuse, supporting 78% recycled lead usage and minimizing health and environmental risks.

SUSTAINABLE PRODUCTS

The company complies with BIS standards and the Battery Waste Management Rules (BWMR), including mandatory filings with the CPCB. All batteries display the BWMR EPR registration number, crossed-out bin symbol, and 'Pb (X)' marking to ensure safe disposal.





* Lead, our key raw material, has a recyclability potential of 99%. In practice, 75% of the lead and lead alloys used were recycled

8.Raw Materials Program

The company has adopted a structured approach to prioritizing the sourcing of raw materials, with a strong focus on traceability to origin to ensure responsible procurement. This approach is central to minimizing both environmental and social impacts linked to raw material production. Clear targets have been established to increase the share of sustainably sourced and recycled materials, underlining our commitment to circularity and resource efficiency. Progress against these targets is monitored and transparently reported, reinforcing accountability in our sourcing practices. In addition, targeted training programs are conducted for internal stakeholders, ensuring that employees across functions understand their responsibilities in advancing sustainable sourcing goals.

Metal Raw Materials Usage

Lead derived from mineral-based inputs is the primary raw material used in Exide Industries Ltd., accounting for approximately **98% (491,674.61 MT)** of total metal consumption in lead-acid battery manufacturing. Staying committed to circularity and resource optimization, the company sourced **75%** of its total lead and lead-alloy requirements from recycled inputs in FY 2024–25. This share was maintained even with an increased use of pure lead, underscoring its efforts to minimize environmental impact through responsible sourcing. In addition to lead, the company also uses aluminium, copper, iron, and steel as part of its metal raw material requirements.



Our Journey of Excellence



Bajaj Auto Ltd. - Platinum
Award 2025



KIA India Partnership-
Appeal Award 2024



Indigo Sustainable
Sourcing Award



Winner in Excellence in Operation (Large)
Manufacturing Today Award 2024



Dun & Bradstreet - India's Top Value
Creator 2024 in Battery sector



BCC&I Social
Leadership Award



'Sector Best' - in Automotive & Ancillaries
'Distinction' from British Safety Council
2024



Apex India Platinum award in
Occupational Health & Safety 2023 -
Chinchwad (Received in May 2024)



'India's Most Sustainable Companies'
- Ranked 1, Capital Goods Sector,
2024 - by BW Business World



ET CIO Award for
Enterprise IT Excellence



Technology Excellence
Awards 2024



Asia's Best Integrated Report (First
Time Integrated Report) - Silver,
by CSRWorks International



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