



2023–24

SUSTAINABILITY REPORT

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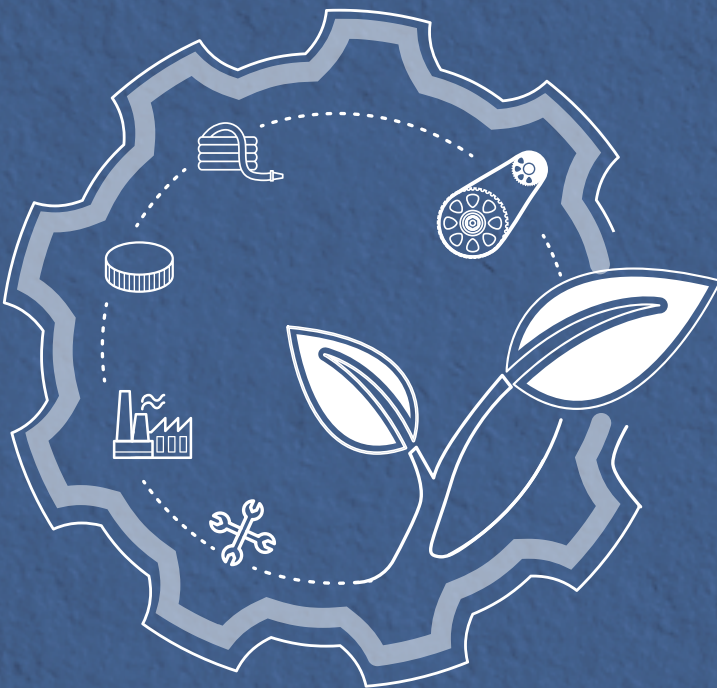
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01 REPORT OVERVIEW

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Company Overview

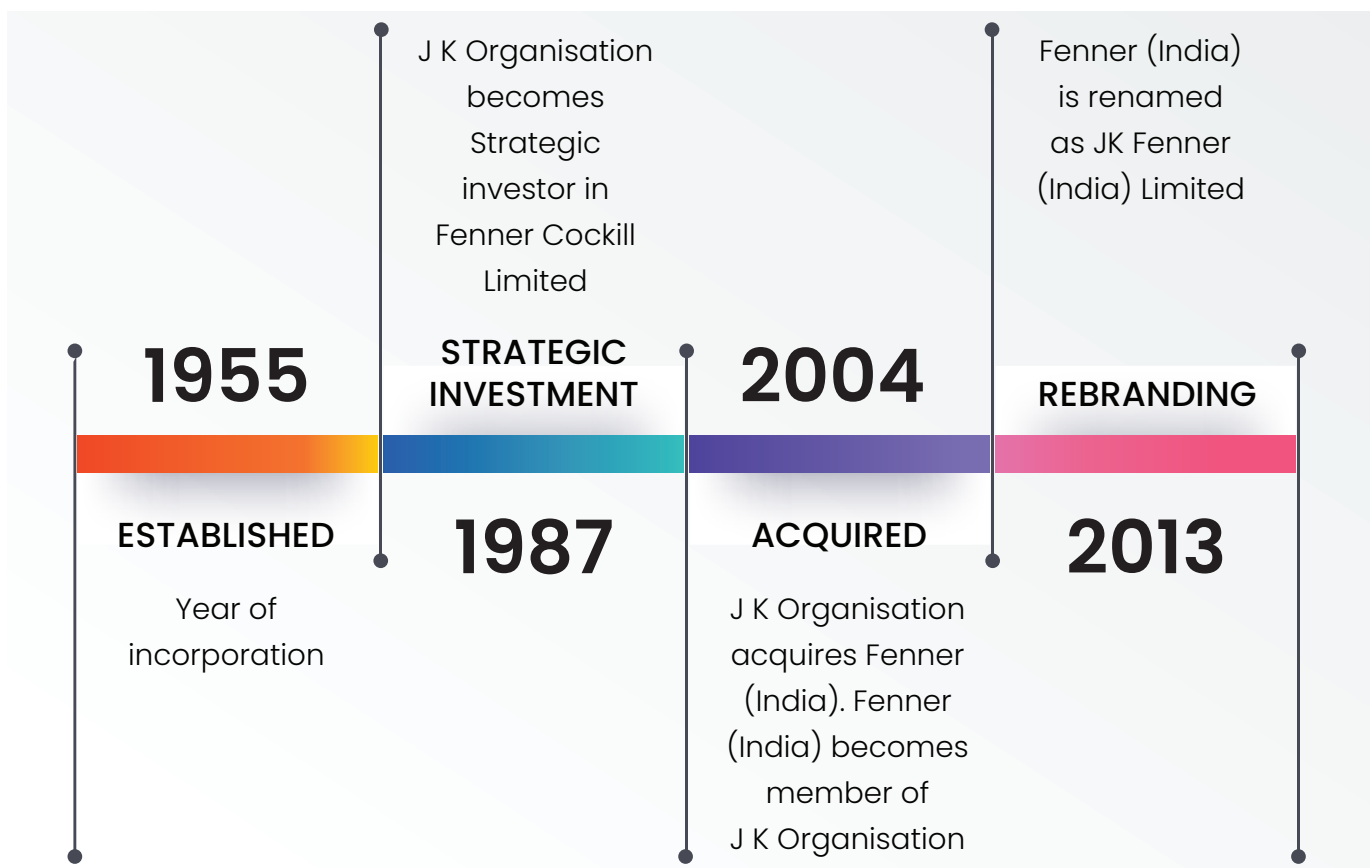
JK Fenner (India) Limited, (JK Fenner) with its registered office in Kochadai, Madurai and Corporate office in Chennai, Tamil Nadu, is an integral part of the J K Organization, a leading industrial conglomerate in India.

The J K Organization is known for its significant contributions to various sectors, making it one of the top industrial groups in the country.

The J K Organization is a multinational group based in India, boasting a rich heritage of over 125 years. The group operates in multiple industries, offers a diverse range of products, and has a widespread presence across various locations worldwide. With manufacturing facilities situated in Mexico, Indonesia,

Romania, Belgium, Portugal, and the UAE, the group extends its global footprint through its international operations.

JK Fenner operates five state-of-the-art manufacturing units and three world-class Research & Development facilities. It is a prominent player in the design and manufacturing of oil seals, hoses, gear boxes, geared motors, pulleys, power transmission belts, FEAD systems, belt tensioners, and moulded rubber products, including EV products for automotive & industrial applications. JK Fenner has established itself as the market leader for power transmission belts in India, catering to diverse industrial applications.



Company Overview

The continuous and collaborative Research & Development efforts have played a crucial role in positioning the organization as the preferred solution provider in Auto OEMs and Industrial sectors such as steel, cement, coal, sugar, power, paper, textiles, food processing, agriculture, and more.

With an extensive network of channel partners in India, JK Fenner has a nationwide presence and excels in the export market, supplying products to over 50 countries globally. The company has earned recognition as one of India's Greatest Mid-size Workplaces, bestowed by the "Great Place to Work" Institute.



Actual Image at Nilakottai, Tamilnadu

Company Overview

JK Group

With a rich heritage of over 125 years of operations, the JK Group is a multinational conglomerate headquartered in India. The Group has multi-business, multi-product and multi-location presence with more than 40,000+ employees and an annual turnover of USD 4.5 Billion.

The group is an association of over 40

companies, pioneering in manufacturing, insurance, chemicals, healthcare, education, retail, software and IT services. JK Group deploys advanced technologies, continuous research development and innovation for its products which hold substantial market share within their respective segments, supported by prominent brands.



Company Overview

Vision and Core Values

Our vision and values are embedded in every decision we make and every product we create. It inspires employees, motivates stakeholders, and provides a unifying direction for all efforts. Furthermore, our values serve as the guiding principles that govern our everyday actions. They define how we interact with employees, customers, and the world around us. These values are the moral compass, ensuring ethical conduct, responsible operations, and a commitment to make a positive impact. Together, our vision and values have created a strong internal culture and built trust with stakeholders.



OUR VISION

To become a
global player
in our core businesses
& grow all businesses
significantly

OUR VALUES

- Caring for people
- Integrity
- Commitment to excellence

Scope and Boundary

The reporting boundary includes all five plants of JK Fenner in India located at Madurai – MDU1 & MDU2, Hyderabad – HYD1 & HYD2 and Chennai – CHN2 and the corporate office.

The environment and the social data disclosed in the report are for all the units and the corporate office, however the environment data for all the sales offices and the Faridabad unit are excluded as they are negligible compared to the plant data. The governance data presented is at the organization level.

Corporate Office:

JK Fenner (India) Limited

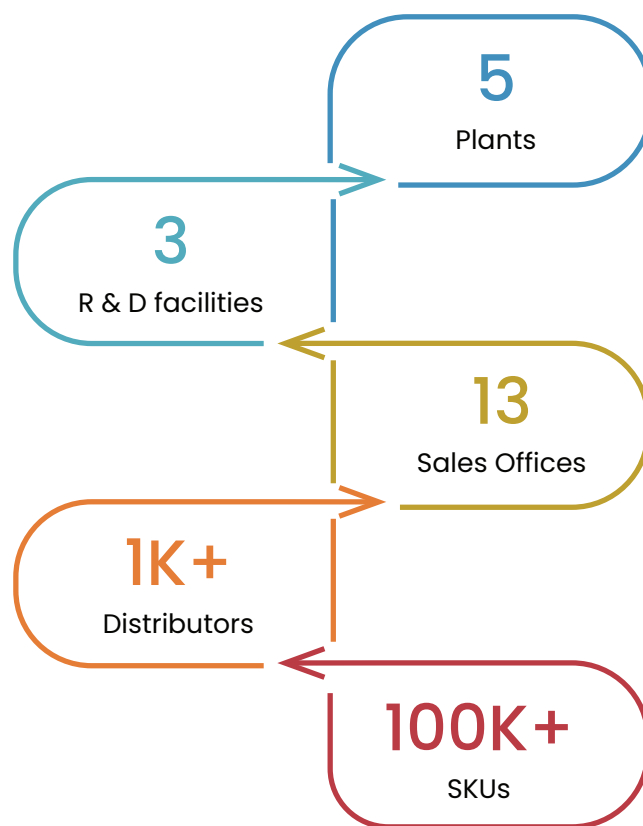
Khivraj Complex II,

V Floor, 480, Anna Salai,

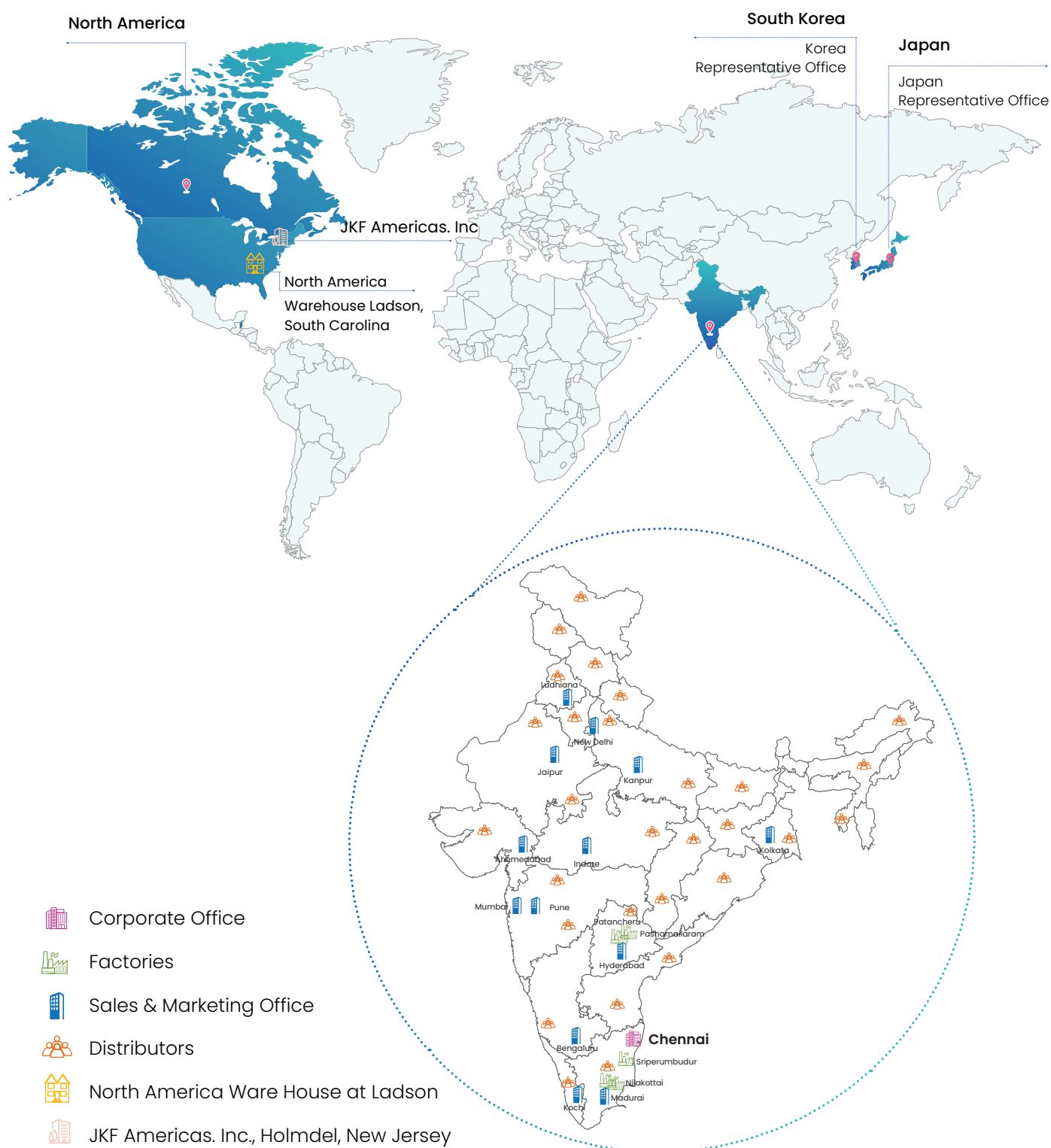
Nandanam, Chennai – 600 035, India.

For any feedback or comments,

please reach out to Mr. A Narender Babu, email: anb@jkfenner.com



JK Fenner Footprint



Scope & Boundary

Reporting Framework

This is the first Sustainability Report of JK Fenner.

The report is prepared in accordance with the GRI Standards 2021 (Global Reporting Initiative). In line with GRI requirements, the information in the report presents the most significant impacts of JK Fenner on the economy, environment and people including the impact on human rights. The disclosures in this report, are our performance against the most significant issues that are considered most material to our stakeholders.

The GRI reporting principles such as accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability are adhered to in the preparation of the report, which helps the stakeholders and users to make informed decisions about the impact and contribution to sustainable development by the organization.



Actual Image at Sriperumbudur Plant-Chennai

Our Manufacturing Base

1955

PLANT 1 Madurai (Kochadai)



Products: Power Transmission belts and Hoses

Industry Catered: Industrial & Automotive

Certificates: IATF 16949:2016, ISO 14001:2015, ISO 45001:2018

Facilities:

- R&D Center for Power Transmission belts, Front End Accessory Drive System (FEAD) and Hoses.
- Centralised Automated rubber mixing plant
- Product validation centre with state-of-the-art testing facilities.

1977

PLANT 2 Hyderabad (Patancheru)



Products: Power Transmission Belts, Seals, Gaskets and Rubber metal bonded Components

Industry Catered: Industrial, Automotive and Railways.

Certificates: IATF 16949:2016, ISO 14001:2015, ISO 45001:2018

Facilities:

- Centralised Automated rubber mixing plant

2007

PLANT 3 Chennai (Sriperumbudur)



Products: Oil Seals, Vibration control Mounts, Boots, Bellows and Elastomer Gaskets

Industry Catered: Industrial, Automotive, Railways and Defence

Certificates: IATF 16949:2016, ISO 14001:2015, ISO 45001:2018

Facilities:

- Elastomer development centre
- R&D Center for Oil Seals, Vibration Control Mounts and Rubber Metal bonded Products.
- Product validation centre with state-of-the-art testing facilities.

2009

PLANT 4 Madurai (Nilakottai)



Products: Power Transmission belts, Front End Accessory Drive system (FEAD) and Water pumps

Industry Catered: Automotive and Defence

Certificates: IATF 16949:2016, ISO 14001:2015, ISO 45001:2018

Facilities:

- Automated Assembly line for FEAD systems
- Online process measurement capability.

PLANT 5 Hyderabad (Pashamailaram)



Products: Engineered Products (Pulley & Couplings), Gear box, Aerators, Automation controllers

Industry Catered: Process Industry, Aquaculture, Industry automation

Certificates: ISO 14001:2015, ISO 45001:2018

Facilities:

- R&D Center for Engineered Products, Gear box, Aerators, Automation controllers
- Product validation centre with state-of-the-art testing facilities.



Message from the Managing Director



Adherence to our core values and our commitment to serving our clients have allowed us to grow profitably and sustainably, providing us with a competitive edge in the industry.

Dear Stakeholders,

I am honoured to share with you the first sustainability report of JK Fenner, a key company within the JK Group. This report marks a significant milestone in our ongoing commitment to sustainable growth and responsible business practices.

Adherence to our core values and our commitment to serving our clients have allowed us to grow profitably and sustainably, providing us with a competitive edge in the industry. We take pride in industry-leading practices for our processes and product stewardship. Our culture of research and innovation will drive the sustainability practices necessary to achieve our 2030 goals.

We are determined to play a pivotal role in transforming the future of this industry, and this report details the substantial

progress we have made in environmental, social, and governance areas. It highlights our unwavering commitment to creating sustainable and resilient value.

As we continue this journey towards a more sustainable future, we look forward to your ongoing support and collaboration. Together, we can achieve our vision for a greener, more sustainable world. I take this opportunity to thank all our stakeholders for their unstinting support thus far.

Together, let us continue to pioneer sustainable solutions that make a positive impact on our world.

Best regards,

Vikrampati Singhania
Managing Director

Message from the President and Director



At JK Fenner, we understand our responsibility to deliver exceptional products while minimizing our environmental impact and contributing positively to society. Our 2030 goals are in line with this commitment.

Dear Stakeholders,

I am excited to share our first Sustainability Report for FY 2023-24, a significant milestone in our journey towards a more sustainable future.

This report follows the Global Reporting Initiative (GRI) Standards and outlines our Environmental, Social, and Governance (ESG) performance for the reporting period.

Sustainability has always been central to our thinking, innovation, and business practices. We have ambitious targets set for 2030 that align with our stakeholders' expectations.

We are proud to announce our goals: a 50% reduction in carbon intensity, a 10% reduction in process waste, and a 30% decrease in raw water consumption by 2030 from the baseline year of 2022-23 to preserve natural resources and minimize our environmental impact.

On the social side, we aim to achieve the prestigious Sword of Honour accreditation

from the British Safety Council for our commitment to safety. We also plan to expand our product portfolio to include sustainable/green products.

We are dedicated to embedding sustainable practices across all our operations, from design to distribution. At JK Fenner, we understand our responsibility to deliver exceptional products while minimizing our environmental impact and contributing positively to society. Our report transparently documents our achievements and areas for improvement as we aim to lead in sustainability within our industry.

While we see sustainability as an ongoing journey, we are committed to continuous improvement. Please explore our full Sustainability Report on our website and share your feedback as we work towards positive change and a better future.

With best wishes,

Nagaraju Srirama
President and Director

Message from the ESG Coordinator



Dear Stakeholders,

I am excited to share JK Fenner's first sustainability report, which vividly illustrates our carefully crafted Environmental, Social, and Governance (ESG) framework. This report is a testament to our commitment to sustainable growth, addressing the urgent challenges of climate change, resource depletion, and ecological disturbances—issues that resonate deeply with many of our clients who have set ambitious net zero targets.

Our sustainability roadmap and ESG initiatives are designed not only to meet our own goals but also to align with the sustainability objectives of our clients. At JK Fenner, we integrate core ESG values at every stage of our operations, from our innovative research and development solutions and manufacturing processes to our comprehensive distribution networks. Our ambitious targets for reducing carbon intensity, limiting process waste, and reducing raw water consumption are

aligned with global best practices, reflecting our unwavering commitment to responsible and sustainable manufacturing.

We have set ambitious targets for emission reduction, safety commitments, and upholding human rights values. These principles are deeply embedded within our business operations to ensure we meet and exceed the expectations of our stakeholders, contributing positively to their net zero and broader sustainability goals.

This report highlights the significant strides we have made in environmental, social, and governance areas, showcasing the successful implementation of our sustainability objectives. We look forward to your ongoing support and collaboration as we continue on this journey towards a more sustainable future.

With best wishes,

Mohan S
ESG Coordinator

Awards and Recognition



Received BAL Quality Award-Silver by Bajaj Auto Ltd, Pune, under Polymer Category



Received ACMA Cluster Star Performer Award, 2024



Received Gold Star Award for Best HR Technology (Large Scale Industry) – FTCCI for the year 2023



Received ACMA Awards ZED Cluster completion, 2023



Received 2nd Best Award from ACMA 18th Regional Quality Circle Competition, 2023

Awards and Recognition



Most Preferred Workplace Certified
by Marksmen Daily Network



Supplier SAMRAT Award



Autozone-Extra Miler Award



CII 12th Edition of CII Inter-Industry
Kaizen Competition, 2024.

External Cluster Award – ACMA Excellence 2023



Excellence in
Digitization



Star Performer in
Quality performance
program



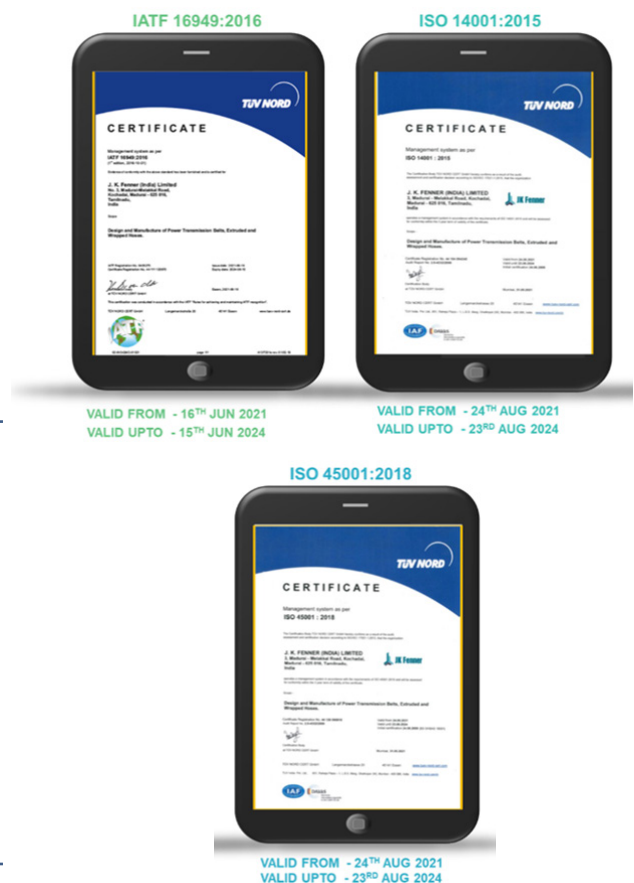
Excellence in
Sustainable
Business

Customer Appreciation

- △ Team Members Participated at **DAIPL –Satara**, securing **First Prize in Lean Six Sigma Contest conducted in January 2024.**
- △ National Institution for Quality and Reliability (NIQR) Awards
 - » First Prize in the DMAIC approach
 - » First Prize in QC Circle
 - » Third prize in Kaizen Category
- △ Customer appreciation from Schaeffler for being Category A supplier
- △ Customer appreciation from Force Motor – STU Status Award

Certification & Accreditations

- △ Plants are accredited with:
 - » TPM (Total Productive Maintenance)
 - » ISO 9001:2015,
 - » ISO/TS 16949:2016,
 - » ISO 14001:2015 and
 - » ISO 45001:2018 certifications.
- △ JKFIL products conform to standards such as
 - » BIS,
 - » ASTM,
 - » RMA/ARPM,
 - » JASO,
 - » European Standards,
 - » TS 16949
 - » British Standards 3790.



Memberships & Associations

As an organization, JK Fenner plays a significant role in the Industry association and other advocacy groups, where it holds a position in the governance body and participates in projects or committees.

Our MD holds the position of VP- ACMA for the period 2023-25.

ACMA – Automobile Component Manufacturer’s Association	CII – Confederation of Indian Industry	FTCCI – The Federation of Telangana Chambers of Commerce and Industry
	 Confederation of Indian Industry	
EFSI – Employees Federation of South India	MCCI – The Madras Chamber of Commerce & Industry	IACC – Indo American Chamber of Commerce
		
	IGCC – Indo-German Chamber of Commerce	
	 Indo-German Chamber of Commerce Deutsch-Indische Handelskammer Mumbai · Delhi · Kolkata · Chennai Bengaluru · Pune · Düsseldorf	

Sustainability Highlights for reporting year 2023–24

Environment Highlights



Energy & Emissions:

Energy intensity:
20.55 GJ/MT
Renewable Electricity:
62%
Emission Intensity:
1.57 t CO₂e/ MT

Water:

Net fresh water use:
41% of total water
Rainwater harvested:
51%
Increase in rainwater
usage: 85.5% compared
to FY2022–23
Specific Raw Water
Intensity: 10.29 kL/MT

Waste:

Waste Intensity: 21.50%

Materials:

3.4% reduction of
packaging material from
FY 2022–23

Social Highlights



**Total employee
strength:** 3,105

Gender Diversity: 14%

OHS: Zero fatalities

Training hours:

71.6% increase from
previous year

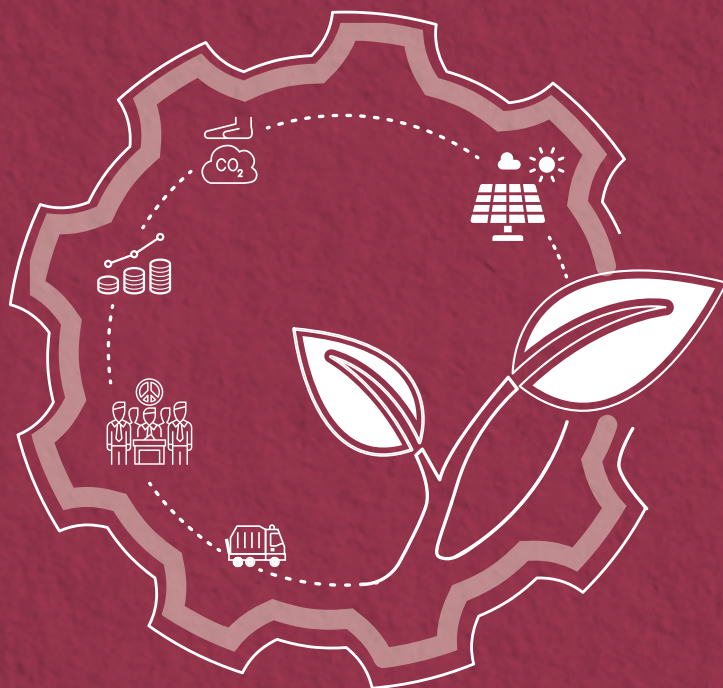
Governance Highlights



Human Rights:

- 100% resolution of cases

02 MATERIALITY



- ◇ Stakeholder Engagement
- ◇ Approach to Materiality
- ◇ Impact Mapping –
Material areas
- ◇ Sustainability Goals/
Commitments

Stakeholder Engagement

The company engages with a diverse set of stakeholders who are interested in or directly affected by the company's business. As part of this stakeholder engagement process, regular feedback from the stakeholders is taken to help make informed decisions. This is done through a variety of ongoing engagements and activities, with the stakeholders who provide external perspectives, guidance and feedback on business policies and products.

For the current materiality analysis, internal stakeholders, such as functional heads were consulted across all plants. This was done to map impact, actual and potential, positive and negative. These interactions helped us understand organisational perspective and the perspective of the stakeholders with whom the functional teams interact with on a routine basis. In a way, these interactions provided us with proxy data from other stakeholders such as suppliers, customers etc.

STAKEHOLDER ENGAGEMENT

Method of Engagement	Frequency	Topics Discussed	Outcomes
EMPLOYEES			
Leadership Talk	Quarterly	<ul style="list-style-type: none"> Business concerns and challenges Environmental threats and technological opportunities 	<ul style="list-style-type: none"> Awareness about the latest business and technological updates
Employee Engagement Survey	Biennially	<ul style="list-style-type: none"> Employee engagement, satisfaction, and concerns evaluation 	<ul style="list-style-type: none"> Plan to address feedback and regular review
Townhall Meetings	Once a month	<ul style="list-style-type: none"> Communication of business results against the given target 	<ul style="list-style-type: none"> Implement action plan for corrective measures to achieve the targets
Annual Performance Meetings	Annually	<ul style="list-style-type: none"> Review of Budget VS Actual 	<ul style="list-style-type: none"> Implement action plan for corrective measures
Talent Management Systems	Annually	<ul style="list-style-type: none"> Recognizing high performing individuals 	<ul style="list-style-type: none"> Better career and succession planning for critical positions
Learning and Development Programmes and Meetings with HR	Quarterly	<ul style="list-style-type: none"> Behavioral Skills, Technical Skills and Functional Skills To understand the skills and manpower gap 	<ul style="list-style-type: none"> Better productivity, morale and career development of an employee Corrective action to support all the departments

Method of Engagement	Frequency	Topics Discussed	Outcomes
SUPPLIERS			
Internal Reviews	Regular intervals	<ul style="list-style-type: none"> Inventory, NPD & series production related issues, LC & payment issues Cost savings through material substitution New product development status Capex status. 	<ul style="list-style-type: none"> Improving cashflow Eliminating line stoppages and timely development of products
Supplier Audits	Annually	<ul style="list-style-type: none"> Monitoring the system effectiveness of supplier 	<ul style="list-style-type: none"> NC & OFI Supplier performance rating
Visit to Expos'	Need based	<ul style="list-style-type: none"> Exploring alternative technology 	<ul style="list-style-type: none"> Knowledge enrichment
Capacity Building	Need based	<ul style="list-style-type: none"> Supplier capacity enhancement 	<ul style="list-style-type: none"> Enhancement of supplier capacity
Supplier Events	Annually	<ul style="list-style-type: none"> Quality month celebration 	<ul style="list-style-type: none"> Awarding best supplier
Supplier Trainings and Meetings	Need based	<ul style="list-style-type: none"> Quality tools Volume forecast, pricing New product comprehension 	<ul style="list-style-type: none"> Effective quality system and improved product quality Coverage depending on order flow, savings, knowledge
CUSTOMERS			
Market visit	Regular intervals	<ul style="list-style-type: none"> Competitor activities, marketing support needs, product performance, etc 	<ul style="list-style-type: none"> Eliminating line stoppages and timely delivery of products
In House Seminars	Monthly	<ul style="list-style-type: none"> Imparting product knowledge 	<ul style="list-style-type: none"> End users' awareness about the product
Exhibitions and Van Campaigns	Need based	<ul style="list-style-type: none"> Exhibition planning Products promotion through various activities Products promotion in diverse markets 	<ul style="list-style-type: none"> Engaging in nationwide exhibitions to showcase and promote products Conduct targeted mobile marketing campaigns to engage end users

Method of Engagement	Frequency	Topics Discussed	Outcomes
CUSTOMERS			
Drive check	Need based	<ul style="list-style-type: none"> RFQ receipt Feasibility / cost and sellingPrice Quotations to customer Commercials Technical areas Receipt of business award 	<ul style="list-style-type: none"> Price alignment Technical alignment Business addition to JK Fenner
RFQ processing	Need based	<ul style="list-style-type: none"> Timeline discussion with customer Tooling readiness update Proto samples supply Product Testing updates, SOP updates 	<ul style="list-style-type: none"> Ensuring a finalized timeline Tooling readiness Timely sample supply Meeting product requirements On-time SOP deliveries to the customer
Program management	Need based/ Annual	<ul style="list-style-type: none"> Agenda framing and internal discussion for agenda alignment Responsiveness Price Competitiveness Technical Competitiveness Delivery Quality Improvement 	<ul style="list-style-type: none"> Action plans / minutes of meeting
GOVERNMENT/REGULATORY			
Government Regulators	Event based	<ul style="list-style-type: none"> Attended meetings/ conferences 	-
Annual report	Annual		<ul style="list-style-type: none"> Disclosed the audited financial statements & mandatory disclosures under the provisions of the Companies Act, 2013, AS & other applicable provisions
State Government	Event based		<ul style="list-style-type: none"> Periodical filings as prescribed under various state legislations




Method of Engagement	Frequency	Topics Discussed	Outcomes
GOVERNMENT/REGULATORY			
Industry Association	Periodical meetings conducted by industry related associations viz., ACMA, CIA etc.	<ul style="list-style-type: none"> Attended meetings/conferences 	<ul style="list-style-type: none"> Received ACMA Awards after ZED Cluster Completion on 5th July 2023 Won 2nd Best Award from ACMA (SR) in 18th Regional Quality Circle Competition on 28th July 2023 Received ACMA Cluster Star Performer Award on 5th March 2024 Honoured with CII EXIM BANK Business Excellence Award 2023 – Gold Plus for IPD & Exports After Market Business of J.K.Fenner India Ltd.
DEALERS & RETAILERS			
Existing Channel Focus	Daily	<ul style="list-style-type: none"> Order F/w with dealer & retailers 	<ul style="list-style-type: none"> Order expedition
New Channel enrollment	Regular	<ul style="list-style-type: none"> Inputs from heat map & physical visit to the Market 	<ul style="list-style-type: none"> Evaluating the potential in a specific area to determine new dealer or sub-dealer appointments
COMMUNITY			
Environmental Impact Assessment	Need assessment	<ul style="list-style-type: none"> Prevention of damage to environment from plants/community 	<ul style="list-style-type: none"> Creates a sense of ownership/commitment for stakeholder
Online Dialogue	Fortnightly	<ul style="list-style-type: none"> Information on events/recognitions/change in policy/organization structures 	<ul style="list-style-type: none"> Maintaining two-way communication to facilitate regular updates to stay aligned with changes
Employees Engaged in Social Activities	Monthly	<ul style="list-style-type: none"> Briefings on Social Engagements 	<ul style="list-style-type: none"> Enables employees to understand the organization's commitment to social causes and the community
Engagement with local NGOs and local Govt/ Panchayat	Regular	<ul style="list-style-type: none"> Real issues/needs of community Engaging with the local Panchayat to address community needs and provide support to manufacturing units 	<ul style="list-style-type: none"> Assists in recognizing real needs and customizing social initiatives Contributes to harmonious relations, ensuring smooth functioning and early resolution of issues



Management Approach



Carbon Emissions & Energy Management

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>Manufacturing is often energy-intensive, and relies on non-renewable sources, leading to increased greenhouse gas emissions and resource depletion. Synthetic raw materials also negatively impact the environment. Additionally, transportation and logistics add significant carbon emissions. Inefficient energy management also raises operational costs and environmental impact.</p>	<p>Currently, our renewable energy (RE) usage is about 62% with ongoing efforts to increase the share. We optimize material usage, streamline production, and implement efficient manufacturing to reduce power, fuel consumption, and product rejections. Design interventions and low-cost automation help improve efficiency, enhance automation. Regular audits and optimized operations reduce energy waste and overall consumption. Reducing air freight lowers our carbon footprint.</p>	<ul style="list-style-type: none"> Pursuit of Net Zero Carbon (GHG) Emissions in Mfg Plants by 2040 (Scope 1 and Scope 2). Monitor Scope 3 GHG Emissions. <hr/> <ul style="list-style-type: none"> 50% reduction in carbon intensity (0.8 MTCO₂e/MT). 	<div>  </div> <div>  </div> <div>  </div>

Management Approach



Water Security

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
Our manufacturing process is dependent on water. Freshwater availability is a concern area as it can impact our operations. An increase in water consumption can impact the environment negatively.	We have taken up several initiatives for water conservation, such as process improvements to minimize water consumption, rainwater harvesting and using recycled water for non-potable needs such as gardening and flushing. Recycled water is also used in manufacturing processes such as cooling. We will work to maximise our conservation efforts to reduce dependency on municipal water supplies, ensuring sustainable water management.	<ul style="list-style-type: none"> Optimizing water usage across operations and use of sustainable water sources. 30% reduction in specific raw water consumption (<8 kL/MT). 	 

Management Approach




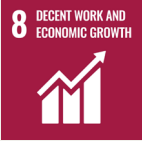

Waste Management

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>Our manufacturing processes are established focusing on minimal waste generation. Waste management can negatively impact our operations by increasing costs for waste handling such as disposal and recycling. It can disrupt operations due to space limitations, and process interruptions while adding regulatory and logistical constraints. The waste management process involves segregation waste at the source and ensures safe disposal. We have a well-defined process to recycle and re-use the entire process waste.</p>	<p>Waste management strategy is built on the 3Rs of reduce, reuse and recycle. We are implementing lean manufacturing and embracing circularity principles to reduce the waste generated in our operations. Efforts are on to stop single-use plastic across our plants. Packaging materials such as carton boxes and wooden boxes are reused and we are investing in advanced waste management technologies.</p>	<ul style="list-style-type: none"> Minimize waste and create opportunities for maximizing reuse, recycling and sustainable disposal. 10% reduction in process waste. 	<div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>13 CLIMATE ACTION</div> <div>15 LIFE ON LAND</div> </div>

Management Approach






Diversity & Inclusion

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>A diverse and inclusive workforce offers many benefits. We continually strive to increase the number of women on the shop floor and encourage their induction into various manufacturing roles. However, attracting female employees to manufacturing roles remains challenging due to the limited number of women pursuing such opportunities.</p>	<p>Diverse workforces bring a wider array of skills and experiences to the workplace. We will implement a Diversity and inclusion policy, with a clear emphasis on the targets and commitments. Creating employee awareness about a diverse and inclusive workforce is essential. Training and capacity-building sessions for the hiring team address topics such as unconscious bias, implementing structured decision-making processes, and fostering an inclusive culture that values diversity and equality. Embracing diversity ensures compliance with legal standards and enhances the company's reputation as a fair and progressive employer.</p>	<ul style="list-style-type: none"> Inclusive and diverse workplace. Gender diversity: 20% women & 80% men. Physically challenged – 1%. 	<div>  </div> <div>  </div> <div>  </div>

Management Approach






Human Rights

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>Human rights are fundamental to the dignity and well-being of every individual and are essential for creating just and equitable societies. Non-compliance to human rights can result in legal penalties and damage to company's reputation. In the reporting period, there were no human rights-related non-compliances across our operations. However, ensuring human rights in the supply chain, such as protecting workers' dignity by providing minimum wages on time, maintaining safe working conditions, and preventing forced and child labour, will be taken up in the coming years through a policy guideline and its implementation by our vendor partners.</p>	<p>Upholding human rights builds trust and strengthens relationships with our stakeholders. We will implement a Human Rights policy that clearly states our commitments across our operations and supply chain. We believe integrating human rights aspects can create new business opportunities and involves transparency, non-discrimination, and respect for community rights, enhancing ethical business practices. Sustainable practices enhance competitiveness and attract conscious customers.</p>	<ul style="list-style-type: none"> Respect and dignity for all at all times. Confirm to social accountability SA8000. 	  

Management Approach






Compliance Commitment

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>A robust compliance commitment is essential in manufacturing for maintaining operational efficiency, legal adherence, and a strong reputation. Neglecting any aspect of compliance can lead to significant negative impacts, including legal issues, financial losses, and reputational damage. Each element, from ISO implementation to labour law compliance, plays a crucial role in ensuring smooth operations, meeting regulatory standards, and upholding the company's integrity.</p> <p>Similarly customer requirements are essential for maintaining compliance related to export regulations. We also map and align compliance to our customer aspirations / commitments.</p>	<p>Legal register with all applicable laws and Acts, which will help us maintain compliance records and help companies avoid legal penalties related to any violations. It mitigates financial and reputational risks associated with non-compliance.</p>	<ul style="list-style-type: none"> Continue to excel in ensuring full compliance for all regulatory norms and meeting stated/agreed customer requirements. Continue to excel. 	<div>  </div> <div>  </div> <div>  </div>

Management Approach



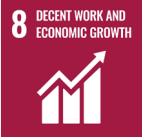


Responsible value chain

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>Value chain sustainability is essential for protecting the environment, ensuring economic efficiency, maintaining social responsibility, managing risks, and building customer trust. Unsustainable supply chains can cause environmental harm, legal issues, reputational damage, supply disruptions, and increased costs. Potential negative impacts may be due to the challenges in managing suppliers.</p> <p>At JK Fenner, we participate in supply chain clusters, which helps us constantly engage with our suppliers. We support quality-related matters through standard maintenance procedures and prioritize the on-time release of products, developed in collaboration with our suppliers. We conduct periodic meetings and engage through programs such as “Bandhan” to foster collaboration. Regular performance reviews and timely payments to suppliers are integral to our operations.</p>	<p>We plan to strengthen relationships with our supply chain partners by implementing updated Supplier Code of Conduct. This document will outline our environmental, social, and governance (ESG) expectations from suppliers. We will identify our critical and significant suppliers to conduct ESG assessments and help them build capacity in ESG aspects.</p>	<ul style="list-style-type: none"> Ethical, sustainable and transparent supply chain. Transforming value chain through implementation of supplier code of conduct. 	  

Management Approach



Digitalization and Sustainable Value Creation

Our Approach	Mitigation Strategies	Target/Goal	SDGs Impacted
<p>Some of the digitalization initiatives that we have already implemented are a dealer management system, QR code tracking, machine and computer interlinking, material tracking for products, MIS, a dashboard for renewable energy consumption, sensors for lighting and machine-level digitization. With high exposure to digitization and digitalization, there is an increased risk of security breaches that can negatively impact us.</p> <p>The R&D team is actively developing products with green features by integrating sustainable practices into the product development process.</p>	<p>Through research and collaboration with suppliers, premier academic institutions, the R & D sources eco-friendly materials and components. Innovative design approaches focus on optimizing energy efficiency and minimizing waste generation. Products undergo rigorous testing to meet performance standards and eco-certifications. Continuous improvement efforts incorporate feedback to enhance sustainability over time, contributing to a more sustainable future.</p>	<ul style="list-style-type: none"> Sustainable portfolio as a key component of business growth and expansion. Develop digitalization index. Improve green products by 15%. 	   



Approach to Materiality

The approach to materiality at JK Fenner is guided by the commitment to doing business in a responsible manner. The sustainability context for the organization was set with a complete detailed peer review of the industry sector. Peer review plays a pivotal role in comprehending the

practices in the industry sectors. It helps in assessing practices within the sector and provide insights for improvement and benchmarking. This gives us an overall understanding of ESG best practices in the sector and the key material areas relevant to the sector.

Long-list of material areas



ENVIRONMENT

- ◇ Carbon Emissions
- ◇ Water Security
- ◇ Energy Management
- ◇ Waste Recycling
- ◇ Product Life Cycle
- ◇ Product Stewardship
- ◇ Biodiversity



SOCIAL

- ◇ OHS (Occupational Health and Safety)
- ◇ Diversity & Inclusion
- ◇ Human Rights
- ◇ Ethical Labour Practices
- ◇ Product Safety
- ◇ Talent Engagement and Retention
- ◇ Customer Health and Safety



GOVERNANCE

- ◇ Cyber Security & Data Privacy
- ◇ Ethical Business
- ◇ Compliance
- ◇ Commitment
- ◇ Innovation and Digitalization
- ◇ Responsible Value Chain
- ◇ Economic Value Creation

Material Topics

Stakeholder consultations with internal functional teams numbering around 100+ managers and sustainability champions across all plants were conducted during the reporting year to map their activities and the impact created via the activities.

We have discerned the most pressing sustainability concerns pertinent to our operations in India, and tailored them to our geographies and business activities, to arrive at key material topics across the Environmental, Social, and Governance realms. These topics not only reflect our commitment to responsible corporate citizenship but also address the unique

challenges and opportunities present in our operational landscape. By focusing on these critical areas, we aim to drive meaningful impact while aligning our strategies with the broader goals of sustainability and stakeholder expectations.

- All high-impact material areas are set as strategic areas for the organization to work for.
- Medium impact areas are taken up at the respective plant or location based on relevance.
- Low-impact areas are continued as business as usual with regular monitoring.



Impact Mapping – Material Areas

Our business operations and strategic initiatives have influence across economic, social, governance, and human rights spheres. After conducting focused group discussions with the departments (IT, Operations, Manufacturing, R&D, HR, Quality, CSR, Finance and Engineering), we meticulously evaluated high priority material areas for both risks and opportunities, keeping in mind their present and potential impacts.

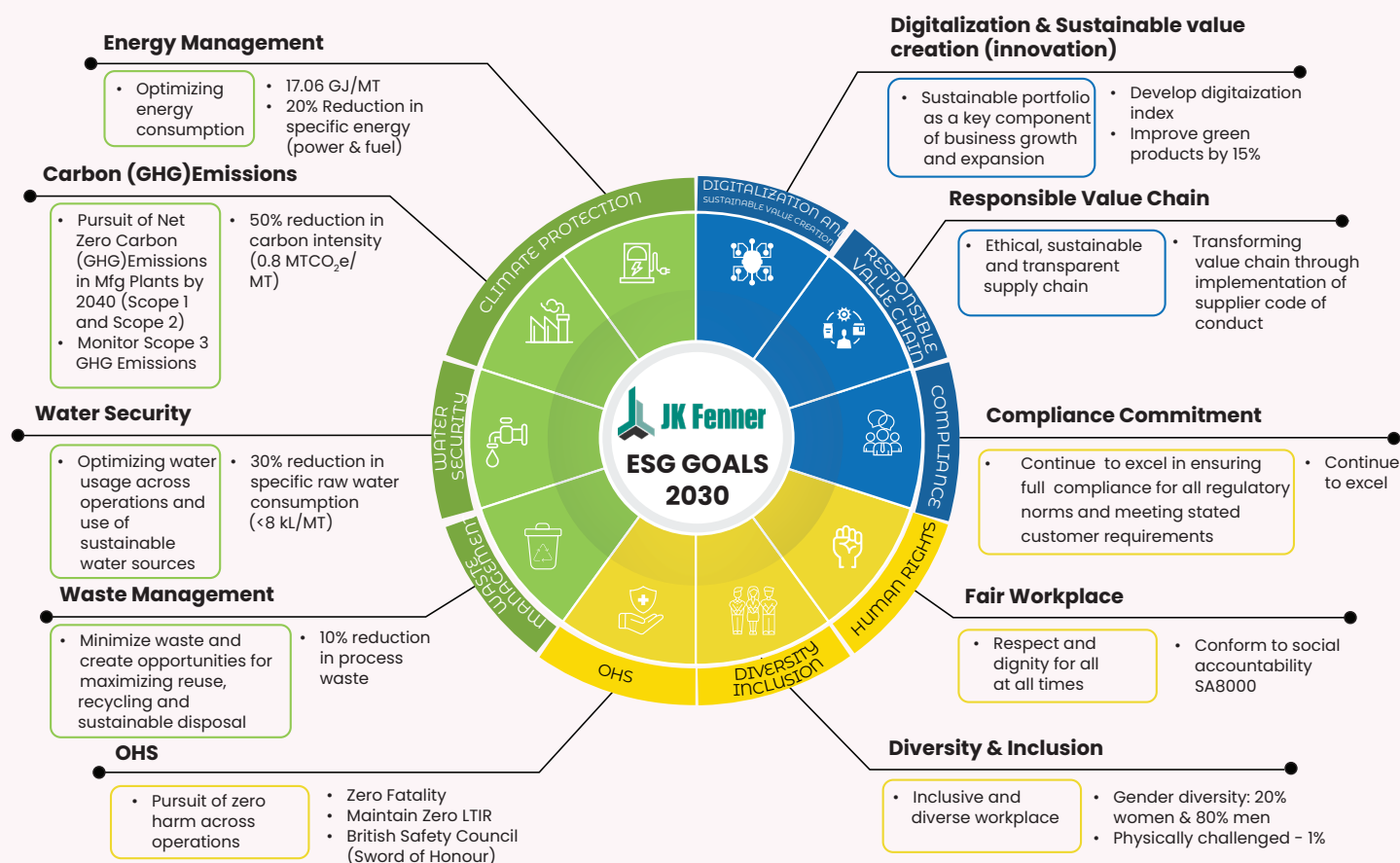
In the upcoming years, we plan to actively engage our stakeholders to gather direct insights on these subjects. Our prioritization process involves a comprehensive assessment of each issue's significance, considering both its business impact (financial, strategic, operational) and social impact (reputational).



Sustainability Commitments

At JK Fenner, we believe that business success and sustainability are interwoven. The commitment of setting ambitious Environmental, Social, and Governance (ESG) targets, therefore is to facilitate decision making that is aligned to sustainable vision. We are dedicated to operating with purpose, leaving a positive footprint on the environment, and fostering a thriving community and recognize that our responsibility extends beyond our business premises and our

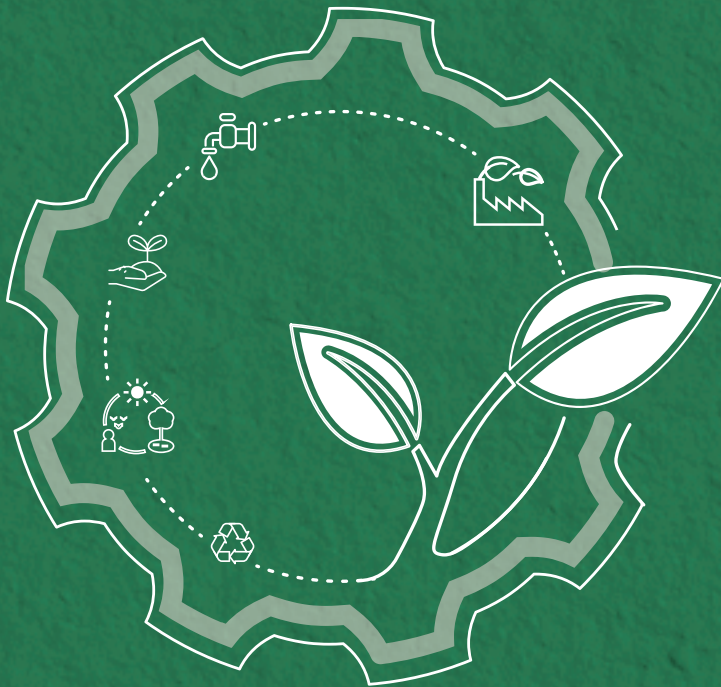
products. From reducing our carbon footprint to fostering diversity and inclusion in our workforce, and creating a responsible value chain, we're dedicated to making a positive impact across all ESG dimensions. This infographic showcases our key ESG commitments, highlighting the concrete actions we're taking to create a more sustainable future for our planet, our communities, and our stakeholders.



JKF Goals 2030

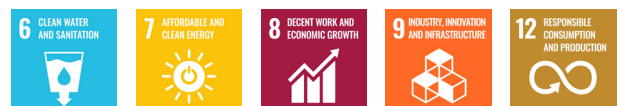
As in 2022-23		2030 Goals
<ul style="list-style-type: none"> 21.45 GJ/MT 	Energy Management	<ul style="list-style-type: none"> 17.06 GJ/MT 20% Reduction in Specific Energy (Power & Fuel)
<ul style="list-style-type: none"> Carbon Intensity: 1.62 MT CO₂e/MT 	Carbon (GHG) Emission	<ul style="list-style-type: none"> 50% Reduction in Carbon Intensity (0.8 MT CO₂e/MT)
<ul style="list-style-type: none"> Specific Raw Water : 10.38 kL/MT Avg 	Water Security	<ul style="list-style-type: none"> 30% Reduction in Specific Raw Water Consumption (<8 kL/MT)
<ul style="list-style-type: none"> Waste intensity: 24.2% 	Waste Management	<ul style="list-style-type: none"> 10% Reduction in process waste
<ul style="list-style-type: none"> Zero Fatality LTIR : 0.66 	OHS	<ul style="list-style-type: none"> Zero Fatality Maintain Zero for LTIR British Safety Council (Sword Of Honor)
<ul style="list-style-type: none"> Overall Gender diversity is 12% Physically challenged – 0.66% 	Diversity & Inclusion	<ul style="list-style-type: none"> Gender diversity 20% Women & 80% men and Physically challenged 1%
<ul style="list-style-type: none"> No Human Rights Violations reported 	Human Rights	<ul style="list-style-type: none"> Confirm to Social accountability SA8000
<ul style="list-style-type: none"> No NC's with respect to local regulations 	Compliance Commitment	<ul style="list-style-type: none"> Continue to Excel
<ul style="list-style-type: none"> Supplier Code of Conduct formulated 	Responsible Value Chain	<ul style="list-style-type: none"> Transforming Value Chain through implementation of Supplier code of Conduct
<ul style="list-style-type: none"> Digitalization projects are in place Green Product Portfolio Reclaimed Rubber – 6% Natural Rubber – 10% Silicone – 2% 	Digitalization & Sustainable Value Creation	<ul style="list-style-type: none"> Developing digitalization Index Improve green products by 15%

03 PLANET



- ◇ Overview
- ◇ Energy
- ◇ Emissions
- ◇ Water Stewardship
- ◇ Waste and Effluent Management
- ◇ Biodiversity
- ◇ Materials

UN SDGs Aligned



Overview

Our Environmental Stewardship

We recognize that our mother Earth is confronting pivotal environmental and ecological issues, with the depletion of natural resources, climate change, and ecological disruption posing serious concerns. These factors are rapidly reshaping the global economic, regulatory, and business landscape. As a responsible organization, we are committed to contributing to a more sustainable and greener future by integrating sustainable development practices into our operations. Sustainability is deeply ingrained as a core philosophy throughout our organization, and we view sustainable development as an essential business approach. Our sustainability initiatives focuses on key environmental priorities, including renewable energy, energy efficiency, water, GHG management, product sustainability and innovation. Over the years, we have made substantial progress in sustainability, with our efforts

tracing back to initiatives as early as 1994. Looking ahead, we have set ambitious goals in the coming years.

Our organization diligently adheres to stringent environmental standards, ensuring full compliance with all applicable environmental laws. Our commitment to environmental stewardship is reinforced by our robust Environmental Management System, which is certified to ISO 14001. We maintain a documented manual for all Environmental, Occupational Health, and Safety (EOHS) processes in the organization. We have equipped our facilities with cutting-edge pollution control systems and manage hazardous waste in accordance with international guidelines, reflecting our dedication to sustainable practices and continuous improvement.



GRI 2-27

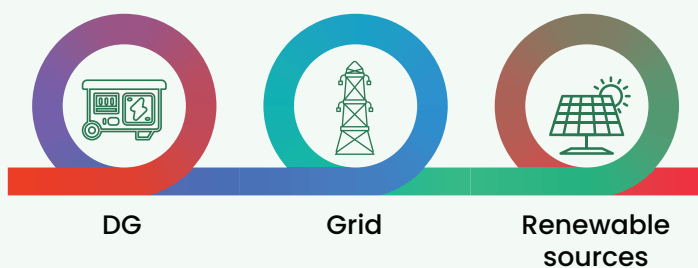
Energy

At JK Fenner, we exhibit a strong commitment to energy conservation, energy efficiency, and the integration of renewable energy. Our focus extends to reducing greenhouse gas intensity and promoting overall energy efficiency. Through a series of innovations and process optimizations, we have successfully reduced energy consumption in our operations. Additionally, we are actively reducing our reliance on non-renewable energy by expanding our use of renewable energy sources. As part of our continuous improvement efforts, we regularly engage third-party entities to conduct energy audits across our

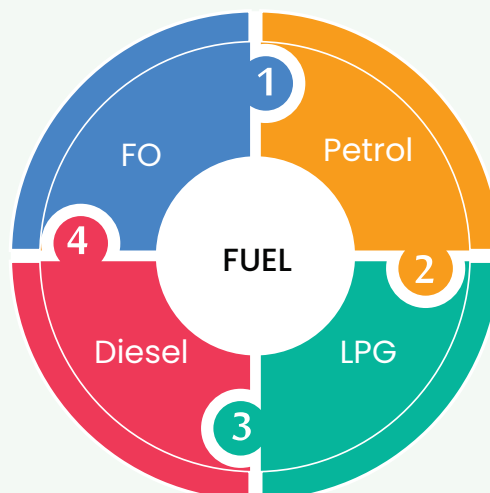
facilities. This practice ensures that we consistently adopt industry-leading practices and share them throughout our plants, enhancing our overall energy efficiency.

Our total energy consumption comprises both electricity and fuel. The primary sources of electricity are grid electricity and renewable sources, with diesel generator (DG) electricity contributing to minor quantities. Fuel consumption includes various types of fuel such as Fuel oil (FO), diesel, petrol, and LPG, each playing a crucial role in our energy mix. This mix will further move greener in the coming years.

Source of Electricity



Fuel Types







Utilization of sunlight to reduce lighting power consumption

Location: Madurai 2

Context: During the daytime, the shop floor lights are turned on and operators often forget to switch them off during lunch hours and after completing their work, leading to increased power consumption for the plant.

Approach: Engineering Department worked on to utilize the sunlight by providing strip lighting in the shopfloor.

Environmental Impact:

Power Savings

Daily : 55 kWh Annual: 17,160 kWh

Operational Efficiency and product stewardship Impact

This initiative led to annual savings of Rs. 1.72 lakh with an investment of Rs. 3 lakh, achieving a return on investment in just 21 months.



Installation of detuned APFC Panels to reduce energy loss due to harmonic generation

Location: Hyderabad 1

Context: In the existing panel, energy loss due to harmonic generation has been observed.

Approach: The team identified the primary source of energy loss through harmonic study. Subsequently, detuned Automatic Power Factor Control (APFC) was installed to mitigate this energy loss.

Environmental Impact:

- Power factor improvement: Power factor improved from 0.98 to 0.995
- Current Harmonics reduced by 7%
- Voltage Harmonics reduced by 2%
- Power Savings : 1.25 Lakh Units/ Annum

Operational Efficiency and product stewardship Impact

This initiative led to a savings of Rs. 9.10 lakh per annum and a return on investment within a span of 3 years.

Total Energy Consumption

In FY 2023-24, total energy consumption, including electricity and fuel, was 2,75,728 GJ, compared to 2,72,775 GJ in the previous fiscal year. For the FY 2023-24, the total electricity consumption was 25,189.6 MWh, compared to 24,576.3 MWh in FY 2022-23.

This increase in electricity consumption is attributed to higher production levels. We are actively transitioning towards renewable energy, with nearly 62% of our power coming from renewables during the reporting period.

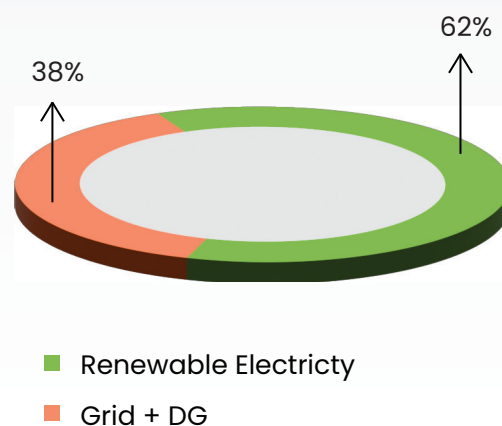
Total Energy Consumption (GJ)



Electricity Consumption (MWh)



Electricity Consumption by source (2023-24)



Energy Efficiency

In our endeavor to evolve into an entity working on carbon reduction, we believe that the application of the LEAN principle to our entire resource utilization is the cornerstone for achieving our objective. For over ten years, we have been proactively driving energy efficiency initiatives across our plants, introducing numerous innovations annually. Projects aimed at enhancing energy efficiency, such as technological advancements, process improvements, and minimizing

losses, are consistently carried out across all our divisions.

We are happy to report a 4.2% reduction in specific energy consumption for this reporting year, showcasing our unwavering commitment to energy efficiency. The specific energy consumption was 20.55 GJ/MT of production in FY 2023-24, compared to 21.45 GJ/MT in the previous year.

Specific Energy Consumption (GJ / MT)





Reduction of air pressure to reduce power consumption in Compressor

Location: Madurai 2

Context: During the profile grinding operation dust gets accumulated in the belt. To clean the belt, compressed air is being used at 2 bar, which causes high power consumption.

Approach: Engineering Department provided venturi nozzle to reduce air pressure from 2 bar to 1 bar.

Environmental Impact:

Power Savings:

Annual: 1,995 kWh

Reduction in air consumption :

Daily : 1,560 CFT

Operational Efficiency and product stewardship Impact

This initiative resulted in cost savings of Rs. 20,000 per annum with an investment of Rs. 50,000 with return on investment in mere 2.5 years.



Variable Frequency Drive to reduce calendar power consumption.

Location: Madurai 2

Context: The Calender Tempertaure Control Unit (TCU) pumps are always 'on' during idle and lunch hours which results in increased power consumption.

Approach: Our Engineering Department has installed a Variable Frequency Drive (VFD) to reduce the speed of the motor and pump during idle and lunch hours. The idle time has been captured and programmed accordingly.

Environmental Impact:

Power Savings:

Monthly: 85 units

Annual: 26,400 units

Operational Efficiency and Product Stewardship Impact:

As a result of this initiative, the pumps are now utilized more effectively, resulting in annual cost savings of Rs. 2.5 Lakhs. This reflects the plant's ongoing commitment to energy conservation and process optimization.

Energy Conservation

At JK Fenner, we continuously undertake initiatives to reduce energy consumption through research, process optimization, replacement of conventional equipment with energy-efficient alternatives, and innovative solutions. Energy conservation is not just a cost reduction priority; but it has long been a deeply ingrained practice among our workforce.

In FY 2023–24, we have successfully conserved an impressive 4,93,072 kWh of electricity and 67.7 kL of fuel oil through the implementation of various energy reduction initiatives.



Installation of Variable Frequency Drive (VFD) to reduce power consumption in Stripping machine power pack motor

Location: Madurai 2

Context: Stripping machine power pack motor remains on during idle and lunch hours which results in increased power consumption.

Approach: The Engineering Department has installed Variable Frequency Drive (VFD) to slow down the motor when pressure is reached and to stop it during idle and lunch hours. The idle time data has been captured and programmed accordingly.

Environmental Impact:

Power Savings: Daily: 20 units

Annual: 6,000 units

Operational Efficiency and product stewardship Impact

The decrease in power consumption during idle and lunch hours has resulted in annual cost savings of Rs. 57,000. The investment for this initiative totals Rs. 25,000, with a return on investment achieved in just 6 months.



Installation of timers to reduce extruder barrel heater's power consumption

Location: Madurai 2

Context: Extruder barrel heaters remains on during idle and lunch hours which results in increased power consumption.

Approach: The Engineering Department has installed timers to switch off the heaters during idle and lunch hours. The idle time data has been captured and programmed accordingly.

Environmental Impact:

Power Savings:

Daily : 75 units

Annual: 22,500 units

Operational Efficiency and product stewardship Impact

The reduction in power consumption during idle and lunch hours has led to annual cost savings of Rs. 2.13 Lakhs. The investment for this initiative amounts to Rs. 25,000, with a return on investment achieved in just 2 months.



Reduction of power consumption in flat grinding machine

Location: Madurai 2

Context: The flat grinder had excessive friction between the Aberration sheet and Rubber, therefore resulting in high power consumption and low material life increasing the operating cost.

Approach: The Engineering Department resolved the setback by switching the grade of the abrasive sheet, which significantly lowered the friction and simplified the rubber grinding process.

Environmental Impact:

Power Savings:

Annual: 6,750 units

Operational Efficiency and Product Stewardship Impact:

This material replacement resulted in a 50% production boost by saving energy and reducing material purchase cost. This infers the Company's commitment to Adaptivity toward energy savings and process improvisation. This initiative, requiring an investment of Rs. 40,000, yielded savings of Rs. 68,000, achieving a return on investment in just 4 months.

Emissions

We have always realized the issue of global warming and have adopted various green technologies to reduce our emissions. The principle of 3R- Reduce, Reuse and Recycle is applied wherever possible in our plants. We have identified Emission reduction projects through a GHG inventory study.

As per GHG protocol, emissions are classified as Scope 1, 2 and 3.

Scope 1 emissions are direct greenhouse gas emissions from sources owned or controlled by the organization. Scope 2 emissions are indirect emissions from the generation of purchased electricity consumed by the organization. Other indirect GHG emissions are grouped

as Scope 3, which are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples of scope 3 activities are extraction and production of purchased materials; transportation of purchased fuels and services, employee commute, business travel, transportation and storage of raw materials.

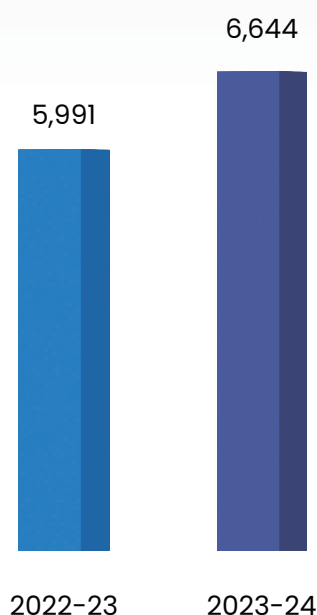
In this report, we are reporting on our Scope 1 and Scope 2 emissions.

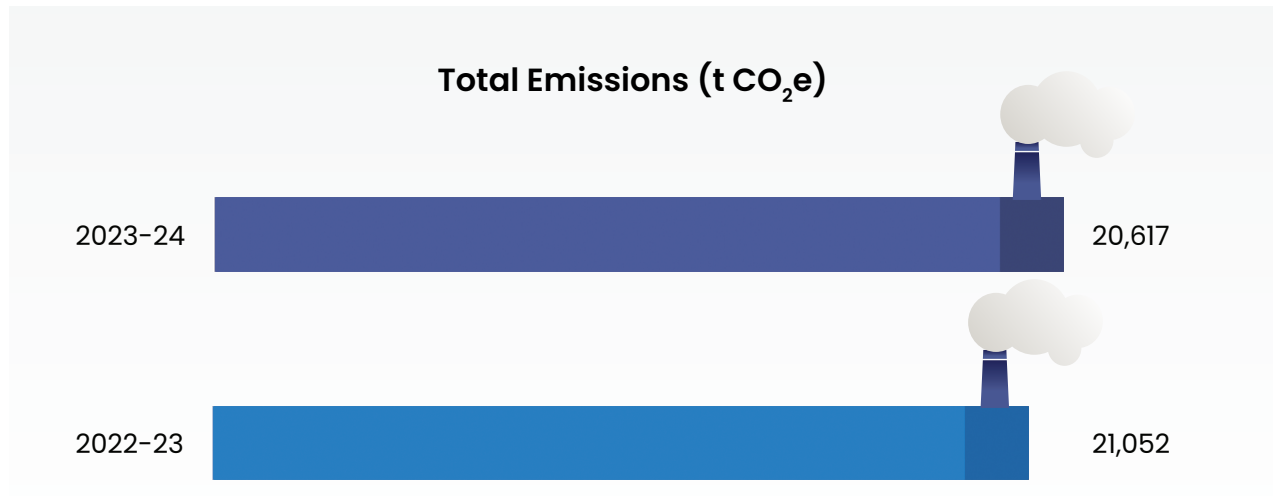
Our strong commitment to emission reduction has been acknowledged through the certification of our Wind Power project by the United Nations Climate Body as a Clean Development Mechanism (CDM) project.

Scope1 Emission (t CO₂e)

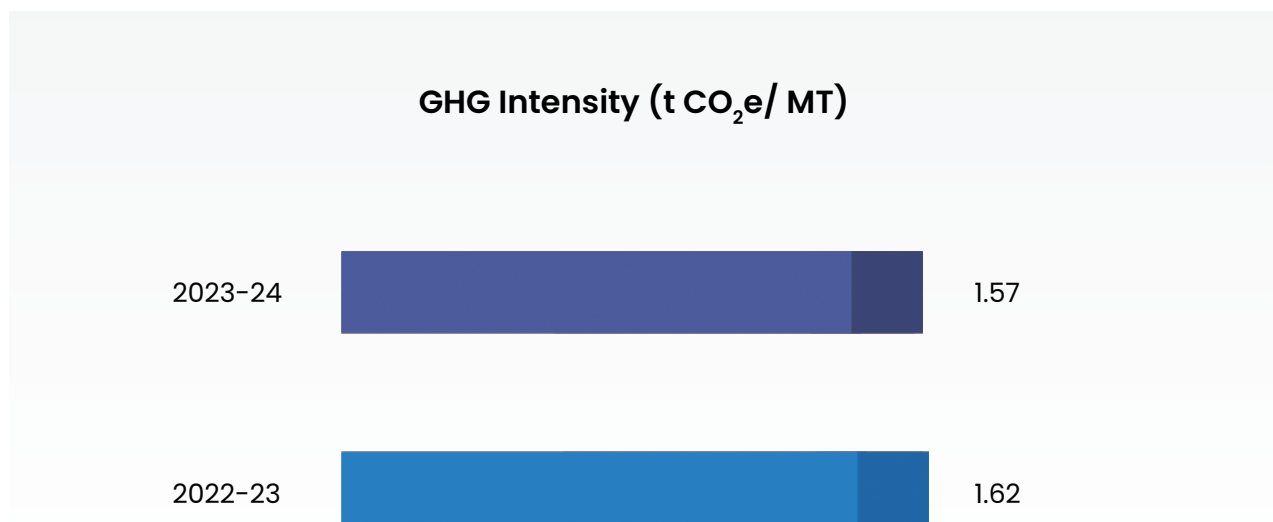


Scope2 Emission (t CO₂e)





In FY 2023-24, the total emissions amounted to 20,617 tCO₂e compared to 21,052 tCO₂e in FY 2022-23. We recorded an emission intensity of 1.57 tCO₂e/MT, indicating a 3% reduction from the previous year's emission intensity of 1.62 tCO₂e/MT.





Process Optimization for reduction of carbon emissions and eliminating water use in wrapped belt production.

Location: Madurai 1

Context: The length stabilisation process for wrapped belt needs lot of electrical heating leading to carbon emission. Water is used to quench the heated belts to reduce the heat to ambient temperature.

Approach: The team modified the belt manufacturing process design by changing the input raw material for the belt and the length stabilisation was inbuilt in the revised process design leading to significant reduction in power and water consumption.

Environmental Impact:

Power Savings: Monthly: 12,000 units

Annual: $12,000 \times 12 = 144,000$

Carbon Footprint reduction: 30 metric ton per annum

Operational Efficiency and product stewardship Impact

First time right quality mission accomplished through the project, saving cost and time and improving the quality of the product.

Increased throughput: Improved the overall production throughput by eliminating a process step.

Sustainability impact of the product through continual improvement in processes, long term efficiency and environmental and product stewardship is helping in rethinking each process for similar gains.

Overall, this project showcases the plant's commitment to reducing resource utilization and enhancing production efficiency while maintaining high quality and working for environmental stewardship.



Re-design and Installation of Dust Collectors to minimize carbon emissions from Intermix

Location: Hyderabad 1

Context: During the mixing process, huge carbon emissions were observed as the installed dust collectors were not effective and not designed based on requirements.

Approach: The team worked on redesigning the dust collectors and installed them at the required distance from the source.

Environmental Impact:

Reduction in carbon emissions:

Particulate matter – PM₁₀ reduced from 104 µg/m³ to 76 µg/m³

PM_{2.5} reduced from 62 µg/m³ to 37 µg/m³.

Operational Efficiency and product stewardship Impact

Increased Suction from 3000 CFM to 10000 CFM thereby improving air quality.

Complies with work zone monitoring standards.



Water Management

Water is a critical shared resource. As a responsible organization, we have a significant role in developing and implementing solutions to the water challenge. Efficient water management is essential for the sector's sustainability, regulatory compliance, and risk mitigation. We are committed to optimising water usage across our operations. We are measuring and monitoring our water usage and have set goals to reduce our specific water consumption.

At JK Fenner, our water management strategy aims to reduce dependency on

freshwater sources by enhancing water efficiency and adopting sustainable water sources. In the fiscal year 2023–24, our total water withdrawal was 138,078 kL, marking a 4.6% increase from the previous year's 131,967 kL. Although this rise underscores the growing operational demands we face, it is important to note that our overall water intensity per metric ton of production has reduced. This reduction highlights our relentless pursuit of water efficiency and demonstrates our commitment to sustainable water management practices.

Our Commitment to Water Conservation:

Enhancing Operational Efficiency and Embracing Sustainable Sources

Our goal is to optimize water usage across all operations and to maximize the use of sustainable water sources, ensuring long-term water security for our plants and surrounding communities.

30% Reduction in Specific Raw Water Consumption

We aim to reduce our specific raw water consumption by 30%, targeting usage of less than <8 kL/MT.

Our Water Footprint:

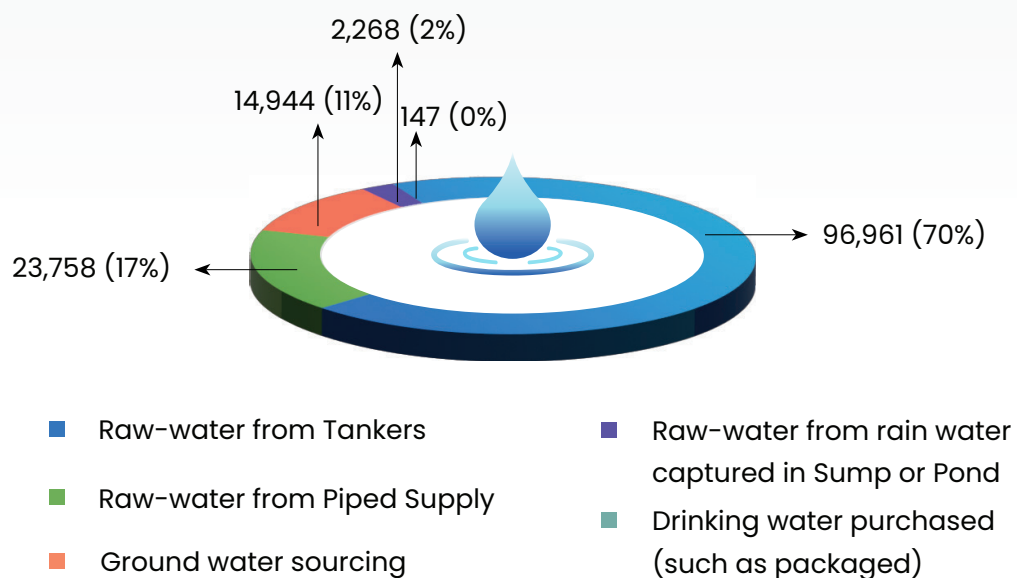
For the reporting year 2023–24, a total of 138,078 kL of raw water was withdrawn. This represents a 4.6% increase from the previous year. Of the total water consumed, the maximum consumption is from the water tankers, which accounts for 70%. Captured rainwater usage surged by 85.5%, from 1,222 kL to 2,268 kL, showcasing our commitment to using sustainable water sources.

Water Management

Water withdrawal (in kL)

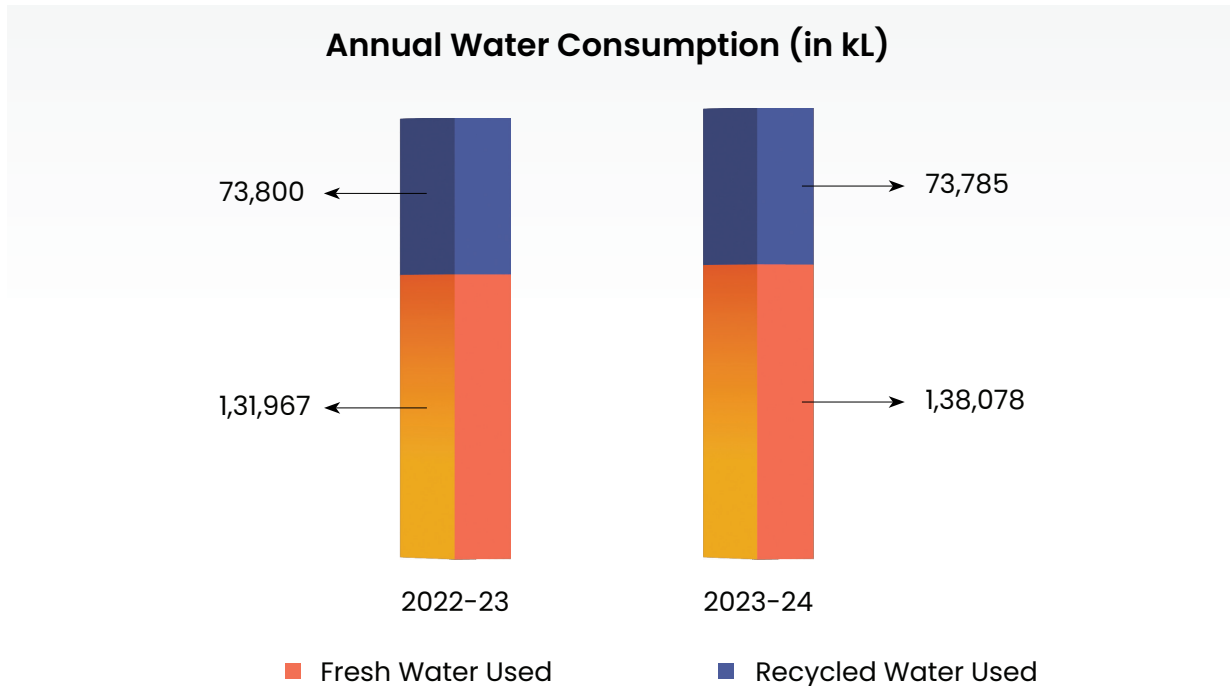


Water withdrawal by sources in 2023-24 in kL (%)



51%
of rainwater harvested

In the reporting period, 65% of the total water consumption is fresh water and the remaining is recycled water.



At JK Fenner, water consumption intensity is a critical metric for our sustainability goals. For the year 2023-24, our water consumption intensity was 10.29 kL/MT of production, down from 10.38 kL/MT the previous year. Although the reduction is small, we are continuously working on it and our target is to reduce this intensity to below 8 kL/MT by 2030.



100%

wastewater from all plants are treated to meet pollution control norms

Our commitment to environmental responsibility extends to the management of water discharge. We have implemented advanced Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) across our facilities. These systems ensure that water discharged meets stringent environmental standards, thereby minimizing our impact on local water bodies. In 2023-24, the recovery rate from our ETPs increased to 80% compared to the previous year, while STP recovery saw a slight improvement.



Eliminating Grease Waste and Contamination: A Commitment to Cleanliness

Location: Hyderabad Plant 1

Context: The manual unloading process for grease barrels at Hyderabad Plant 1 resulted in grease waste and contamination in oil seals. This posed a twofold problem: environmental concerns due to wasted grease, and inefficiencies caused by oil seal contamination requiring replacement.

Approach: The team implemented an innovative approach to eliminate grease waste and contamination:

Implementation of Pneumatic Grease Pump: A pneumatic grease pump was procured to automate the unloading process, replacing the manual method.

Impacts:

Environmental:

- The project resulted in a significant reduction in grease waste – 20 kgs less wasted grease per month.
- This translates to an annual cost saving of Rs. 1.68 lakhs due to reduced grease waste and elimination of customer complaints regarding oil seal contamination.

Economic:

- The implementation achieved a return on investment (ROI) in less than a year.

Driving a Culture of Cleanliness: The successful implementation of a pneumatic grease pump at Hyderabad Plant 1 showcases their dedication to a clean and efficient operation. This initiative not only addresses environmental concerns and reduces waste but also enhances operational efficiency and customer satisfaction. The project's success underscores the value of continuous improvement and innovation in achieving a sustainable and high-performing manufacturing environment.



Reduction in Plant Water Consumption

Location: Madurai 2 (MDU2)

Context: MDU2 Plant relies entirely on SIPCOT water for its manufacturing processes. SIPCOT water supplies 70% of the plant's needs, with the remaining 30% purchased from external sources (tanker water). The plant aimed to reduce its overall water consumption to become more sustainable.

Approach: The plant implemented a rainwater harvesting system to collect rainwater from the shop floor roof. Rainwater is collected in an underground sump of the softener plant by connecting the downpipes to the tank.

Impacts:

Environmental:

In FY 2023-24, the plant collected 25% of the rainwater from the roof and used 1621 kL of rainwater in its manufacturing processes.

This resulted in a reduction in daily plant water consumption from 125 kLD to 101 kLD, and water intensity also got reduced from 36 liters/kg in 2022-23 to 28 liters/kg in 2023-24.

Economic:

The project yielded cost savings through reduced reliance on external water sources. The estimated annual cost savings of Rs. 1.3 lakhs on water procurement and a short payback period of 3 months highlight the financial viability of the system.

The rainwater harvesting system implemented at JK Fenner MDU2 Plant is a successful case study for reducing plant water consumption and serves as a springboard for further progress. Future aim to collect even more rainwater through system improvements, contributing towards their ambitious goal of a 30% reduction in specific raw water consumption (target: <8 kL/MT).

This ongoing commitment signifies the efforts taken at the plant level towards water conservation.

Waste Reduction and Resource Recovery:

Across the globe, waste generation has reached alarming levels. Landfills are overflowing, oceans are choked with plastic debris, and valuable resources are being depleted. This waste crisis poses a significant threat to our environment, human health, and economic well-being. To truly address this challenge, we must move beyond managing waste and focus on reducing it. This means tackling waste generation at its source. By prioritizing waste reduction strategies within production processes, manufacturers can play a pivotal role in creating a more sustainable future.

At JK Fenner, we echo the global concern surrounding waste generation. We recognize the impact it has on our

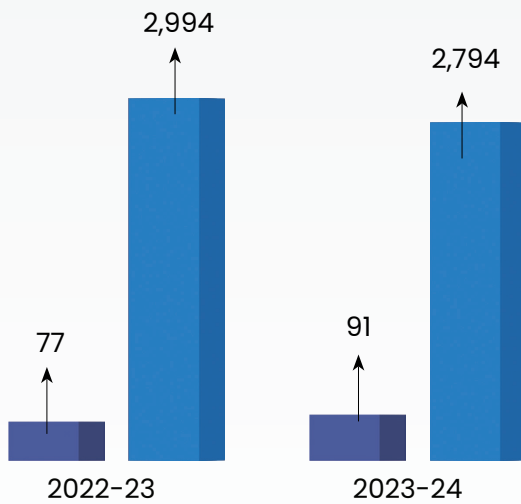
environment, from overflowing landfills to polluted oceans. However, we are not simply acknowledging the problem; we are actively working to be part of the solution. As a leading manufacturer, we understand the responsibility we hold in tackling waste generation at its source. This section of the report details our commitment to responsible waste management, focusing on minimizing waste creation, maximizing recycling efforts, and ensuring environmentally sound disposal practices. By prioritizing waste reduction strategies throughout our manufacturing processes, we strive to be a leader in sustainable manufacturing and contribute to a cleaner, healthier future for all.

Our Waste Generation Profile:

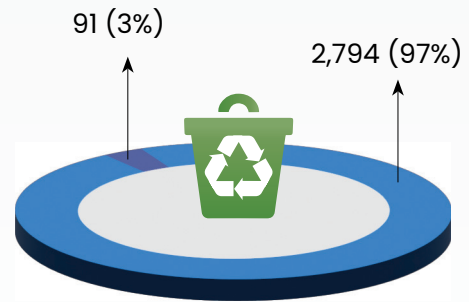
At JK Fenner, we categorize waste into two primary types: Hazardous and Non-Hazardous.

Hazardous Waste: In the current reporting period (2023–24), we generated 91 MT of hazardous waste. This represents an 18.18% increase from the previous year's 77 MT. It's important to note, however, that this increase occurred alongside a 5.54% rise in production volume, from 12,711.4 MT in 2022–23 to 13,416 MT in 2023–24. We are actively working to minimize hazardous waste generation per unit of production to achieve a more ecological outcome.

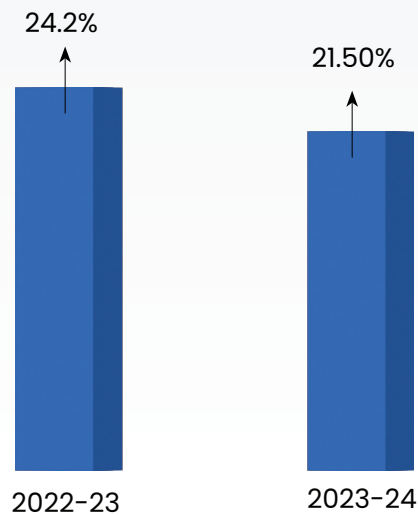
Non-Hazardous Waste: JK Fenner generated 2,794 MT of non-hazardous waste in 2023–24 (down from 2994 MT in 2022–23). This 6.68% reduction reflects our commitment to waste minimization initiatives.

Waste Generated (MT)

- Total Hazardous waste generated (in MT)
- Total Non-Hazardous waste generated (in MT)

**Waste Category MT (%)
in 2023-24**

- Total Hazardous waste generated (in MT)
- Total Non-Hazardous waste generated (in MT)

% of Waste Intensity

11.5% Reduction in
waste intensity from
baseline

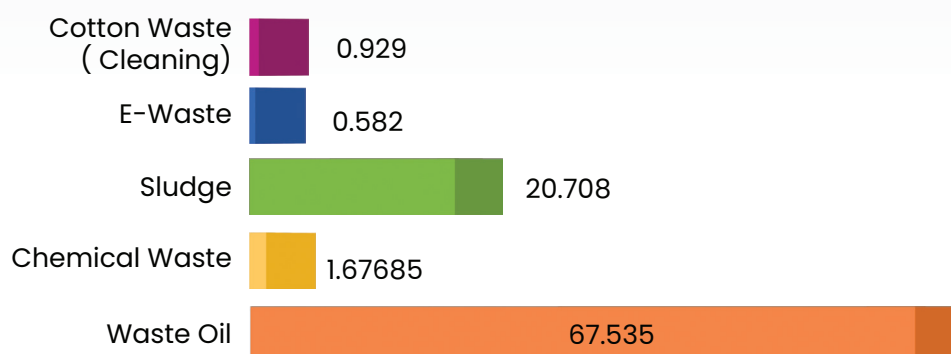
Understanding Our Waste:

At JK Fenner, we recognize the importance of categorizing waste streams accurately. This meticulous approach forms the foundation for effective waste management. By segregating waste into distinct categories, we gain valuable insights into our waste generation patterns and thus can tailor our waste management strategies accordingly. The waste categorization for Hazardous and non-hazardous waste are as shown. In the hazardous waste category, waste oil

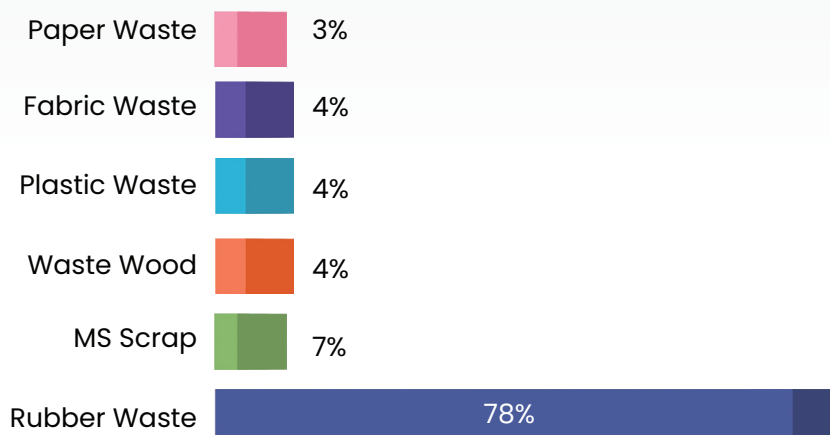
accounts for the maximum quantity at 74%. The other hazardous wastes are chemical waste, sludge, e-waste and cotton waste. All wastes are segregated at source and disposed through authorized waste dealers.

Among the non-hazardous category, the rubber waste accounts for the maximum quantity at 78%, followed by MS scrap, wood waste, plastic, fabric and paper waste.

Hazardous Waste (MT) FY 2023-24



Non-Hazardous Waste (Percentage) FY 2023-24



JK Fenner is committed to minimizing its environmental footprint, and waste management plays a crucial role in this mission. We employ a multi-layer approach to manage waste effectively:



1

Waste minimization: We continuously review production processes to identify opportunities for reducing waste generation at the source. This includes exploring material substitution and optimizing cutting processes.



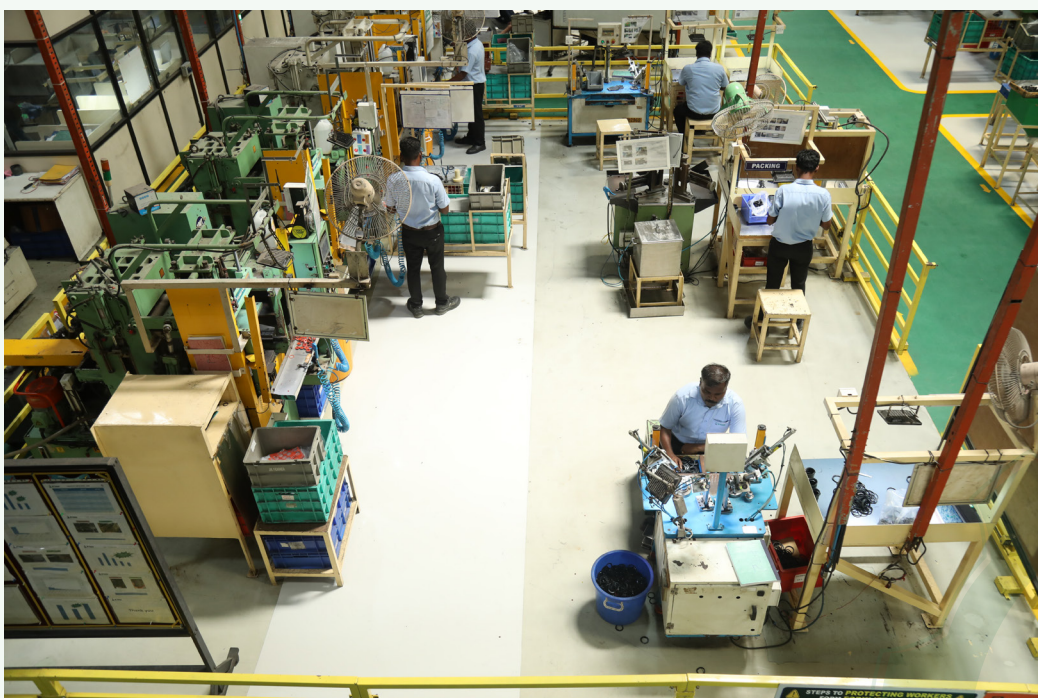
2

Recycling: We actively segregate recyclable materials like paper, plastic, and metal scrap. We partner with reputable recycling vendors to ensure proper recycling of these materials.



3

Responsible disposal: Non-recyclable waste is disposed of responsibly through authorized waste disposal partners who adhere to strict environmental regulations.





Wastage Reduction in Cogged & Poly Belts

Location: Madurai Plant 1 (MDU1)

Context: Production processes at Madurai Plant 1 generated significant rubber waste from cogged and poly belts (~1078 MT of rubber waste was generated in the year 2022-23). This posed not only an environmental concern but also impacted resource utilization and production efficiency.

Approach: The team led by Production Manager V. Murugan identified an opportunity to reduce resource consumption. They implemented a multi-pronged approach to enhance efficiency and reduce waste. This included shifting from the traditional angle cutting method to a profile grinding method, which significantly decreased material waste during belt formation. Also, by using advanced vision system and tension controller to minimize end belt wastage during cutting. Additionally, the plant replaced the old stripping machine, known for generating considerable waste, with a more efficient gripper-type machine.

Environmental Impact:

- The implemented changes resulted in a remarkable increase in product yield, from 64% to 74%.
- This translates to a significant reduction in rubber waste – an estimated 150 MT less rubber wasted in 2023-24 than the previous year.
- The project also yielded a positive environmental impact by reducing the plant's carbon footprint by 495 MT per annum.

Driving Sustainable Production:

This initiative demonstrates Madurai Plant 1's commitment to:

Resource Efficiency: By reducing rubber waste and optimizing material usage.

Environmental Responsibility: By lowering the plant's carbon footprint.

Operational Excellence: By achieving increased product yield and production efficiency.

The success of this project highlights the potential of process optimization to achieve environmental and operational benefits simultaneously.



Friction Fabric Wastage Reduction in Slitting Process

Location: Hyderabad Plant 1

Context: Slitting processes at Hyderabad Plant 1 generated significant wastage of jacket material due to variation in jacket edge after slitting. This posed a challenge for using the material in the wrapping process, resulting in inefficiencies and increased costs.

Approach: The team, led by Mr. V. Srinivas, identified an opportunity to optimize the slitting process and reduce waste. They implemented a strategic change:

1. Revised Slitting Width Combination: The existing slitting width combination was re-evaluated and adjusted to minimize wastage on both edges of the jacket.

Impacts –

Environmental:

- The implemented change resulted in a significant reduction in monthly jacket material waste – from 3280 kgs to 1620 kgs, which results to a net saving of 1660 kgs of jacket material per month.

Financial:

The project also yielded a positive financial impact, with an estimated annual cost saving of Rs. 63.72 lakhs.

Eliminating Waste, Enhancing Efficiency:

The success of this project highlights the importance of process optimization in achieving sustainability goals. By implementing a simple yet effective change to the slitting process, Hyderabad Plant 1 achieved significant reductions in material waste and operational costs. This initiative exemplifies their commitment to efficient resource utilization and continuous improvement, moving towards a sustainable manufacturing future.



Reduction of Wastage in 2102 Compound at VB

Location: Hyderabad Plant 1

Context: The VB 2102 compound at the Hyderabad plant suffered from poor tackiness. If not used within 24 hours after calendaring, the compound became scrap, leading to significant wastage.

Approach: The team, led by Mr. Ramakrishna, identified the short tack life as the root cause of the issue. To address this challenge, they implemented a strategic substitution:

Replacing Denka PS 40a with SKYPRENE R10: The previously used Denka PS 40a chemical is replaced with SKYPRENE R10. This substitution significantly improved the compound's tackiness without compromising product quality.

Impacts:

Environmental Impact:

- The implemented change resulted in the complete elimination of compound wastage. Previously, 462 kgs of compound were wasted monthly.

Financial:

- This translates to a net annual saving of Rs. 11.09 lakhs.

Commitment to Sustainability:

The successful reduction of wastage in the 2,102 compound demonstrates the Hyderabad plant's commitment to sustainable practices and fiscal responsibility. By seeking innovative solutions and implementing strategic substitutions, the team achieved a win-win outcome for the environment and the company's bottom line. This project serves as an inspiration for other organizations to explore innovative solutions for waste reduction and improved resource utilization.

Biodiversity

Biodiversity ensures ecosystem stability, provides essential services, supports food security, offers medicinal resources, boosts the economy, and enriches cultural experiences. Preserving it is vital for planetary health and sustainable development.

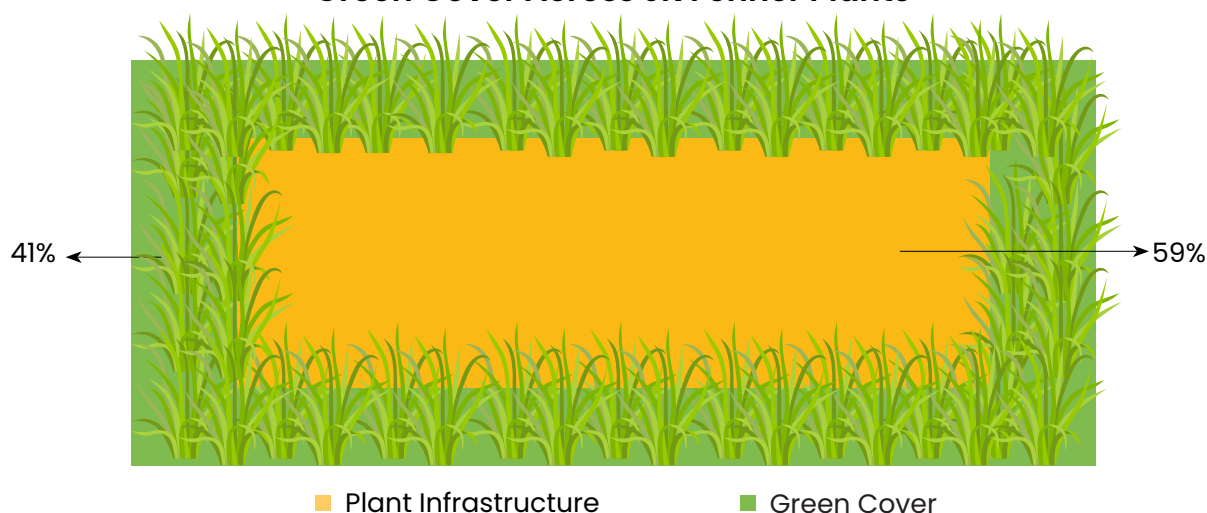
At JK Fenner, the conservation and safeguarding of biodiversity rank high among our commitments. Our corporate office and sales offices are in the city centres, while the manufacturing plants are in industrial areas. Our operations are not in areas owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value.

Across all our plants, we have maintained sufficient green cover. We have a cumulative 41% green cover across all the plants. We actively implement

strategies to conserve biodiversity and we prioritize the expansion of green spaces surrounding our manufacturing facilities and principal operational areas.

We have been actively engaged in a series of conservation measures to enhance the biodiversity in and around our plant locations. We initiated a comprehensive mass awareness program across our plants to educate every employee on the importance of an eco-friendly lifestyle. The key focus areas have been to conserve energy and water, eliminate the use of single-use plastics, embrace sustainable food systems, reduce waste generation, maintain a healthy lifestyle, and cut down on E-Waste. This program has been pivotal in raising awareness about biodiversity and the individual actions necessary for its preservation.

Green Cover Across JK Fenner Plants



We celebrated World Environment Day by engaging in widespread tree plantation activities with our employees. The tree plantation initiatives play a significant role in enhancing local ecosystems. By involving our employees in these tree plantation activities, we underscore the critical importance of afforestation. This hands-on experience serves as a powerful educational tool, instilling a deeper appreciation for environmental

conservation and the vital role of trees in sustaining ecological balance. Moreover, we have been promoting green energy by distributing solar street lights to various communities, thus reducing reliance on non-renewable energy sources. These collective efforts reflect our strong commitment to safeguarding our planet's invaluable biodiversity for the prosperity of future generations.



5,721 trees planted

Materials

At JK Fenner, our unwavering commitment to sustainability drives us to continually enhance the efficiency of our products. Our design philosophy places a strong emphasis on utilizing greener materials, aiming to reduce our environmental footprint and preserving Earth's natural resources. Additionally, we implement the LEAN principle across all facets of our operations, ensuring that we consistently achieve higher output with fewer resources, thereby fostering a culture of efficiency and conservation.

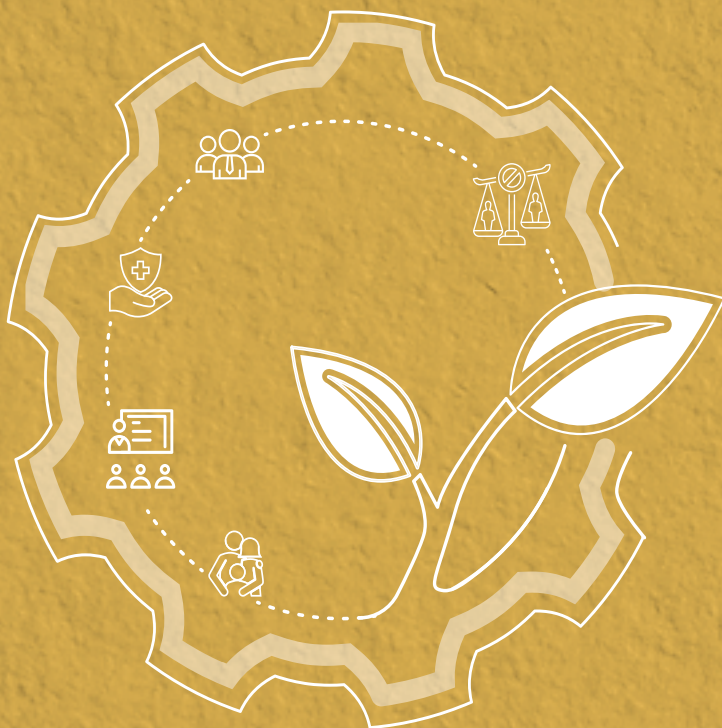
Our Research and Development team has made significant strides in sustainable production by effectively reducing the usage of virgin raw materials. This has been achieved through the strategic substitution of conventional materials with natural fillers and reclaimed rubber, which conserves natural resources. These materials have been integrated into our production process, ensuring that we maintain high-quality standards while also contributing to environmental conservation.



Particulars	Units	2022-23	2023-24
Rubber	MT	4,913	5,076
Fillers	MT	4,209	4,340
Polyester cords	MT	789	877
Fabric	MT	920	966
Cotton	MT	52	46
Alloys	MT	2,300	2,600
Chemicals & Misc	MT	1,488	1,705
Total raw materials used excluding packing	MT	14,659	15,595
Packing Materials	MT	1,816	1,754
Total Raw materials used including packing	MT	16,475	17,350



04 PEOPLE



- ◇ Talent Hiring & Retention
- ◇ Employee Engagement
- ◇ Learning & Development
- ◇ Human Rights
- ◇ Health & Safety
- ◇ Community

UN SDGs Aligned



Investing in people, building a future:

Beyond financial investments and infrastructure, true sustainability hinges on fostering human resources. Their talent, dedication, and well-being are inextricably linked to the sustainability of our operations and our impact on

the world. At our core, we value individuals based on their experience, skills, and potential. Our diverse workforce is not just an asset, it's the foundation of our sound business and stakeholder decisions.





Talent Hiring & Retention

At JK Fenner, we place significant emphasis on hiring new talent while dedicating attention to developing and retaining talent within the organization. We focus on talent management to equip employees with right skill set since they form the foundation of our success. We embrace and value building a diverse workforce that includes people of different genders, ethnicities, ages, work experiences, and skill sets. We have recognized that workplace diversity is not only beneficial but essential for our business success. By including a variety of perspectives and cultures, we drive

innovation, enhance decision-making, boost employee productivity, improve retention, and ultimately serve our customers better. The company fosters a diverse and inclusive work environment where employees are continuously nurtured for their personal and professional growth.

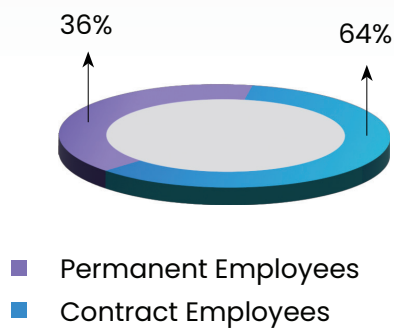
In FY 2023-24, our total employee strength is 3,105 employees, which includes 39% permanent and 61% contract employees. Among the female workforce, we have achieved a 2% enhancement compared to the previous year, FY 2022-23.

Total Employees

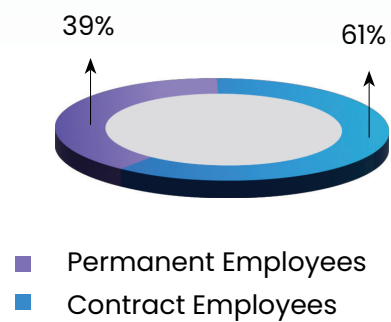




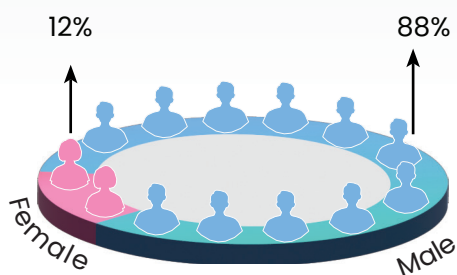
**Employees by Category
(2022-23)**



**Employees by Category
(2023-24)**



Gender Diversity (2022-23)



Gender Diversity (2023-24)

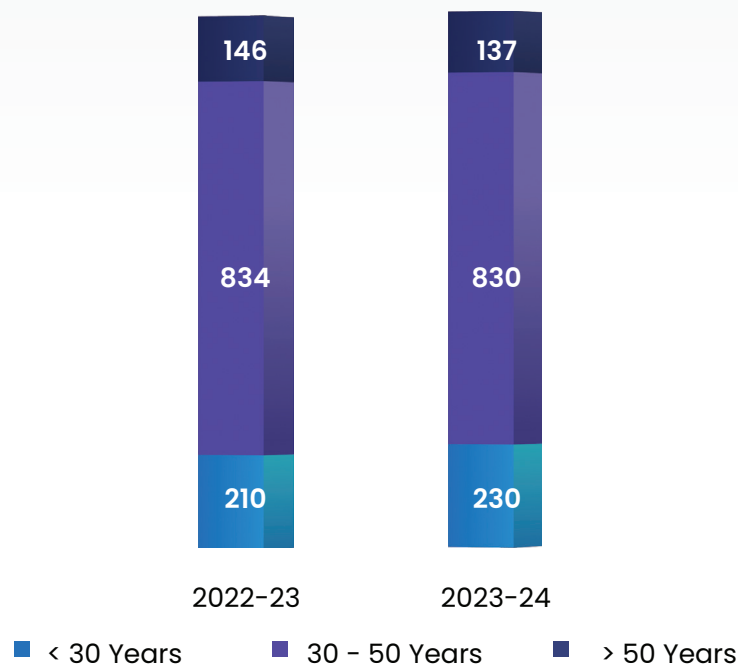


In the reporting year, we witnessed a reduction in the total employee numbers, while there was a 2% growth in female workforce. The increase in female workforce aligns with our commitment to promote gender diversity.

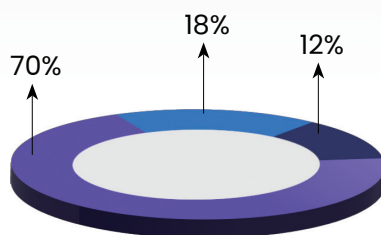
At JK Fenner, we prioritize social responsibility by creating opportunities

for specially-abled individuals to join and thrive in our workforce. We are proud to have 13 specially-abled team members whose talents and contributions are invaluable to our success. Although the number has remained constant over the past two years, we are committed to increasing this number as part of our 2030 ESG goals.

Permanent Employees by age Category

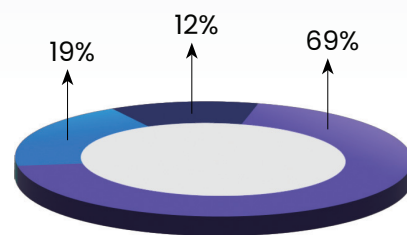


Permanent Employees by age Category (2022-2023)



■ < 30 Years ■ 30 - 50 Years ■ > 50 Years

Permanent Employees by age Category (2023-24)

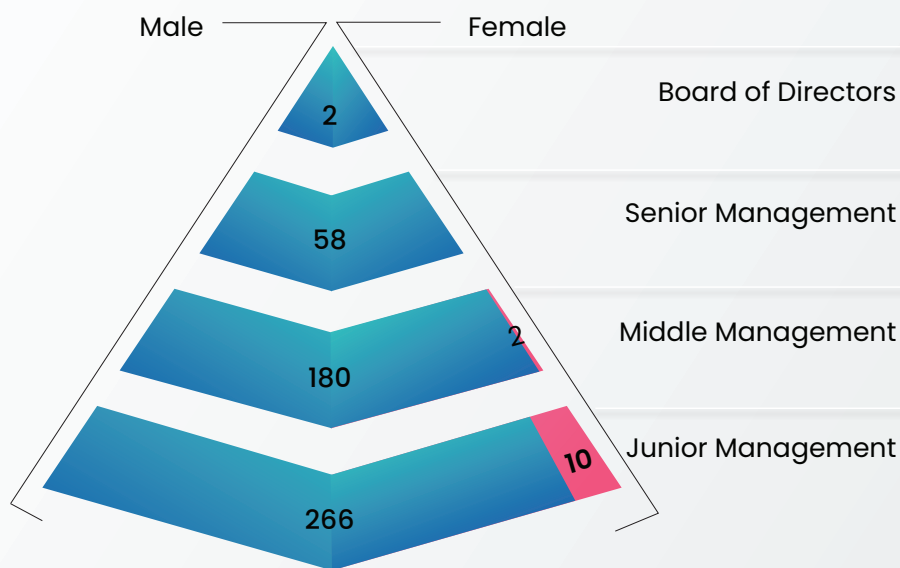


■ < 30 Years ■ 30 - 50 Years ■ > 50 Years

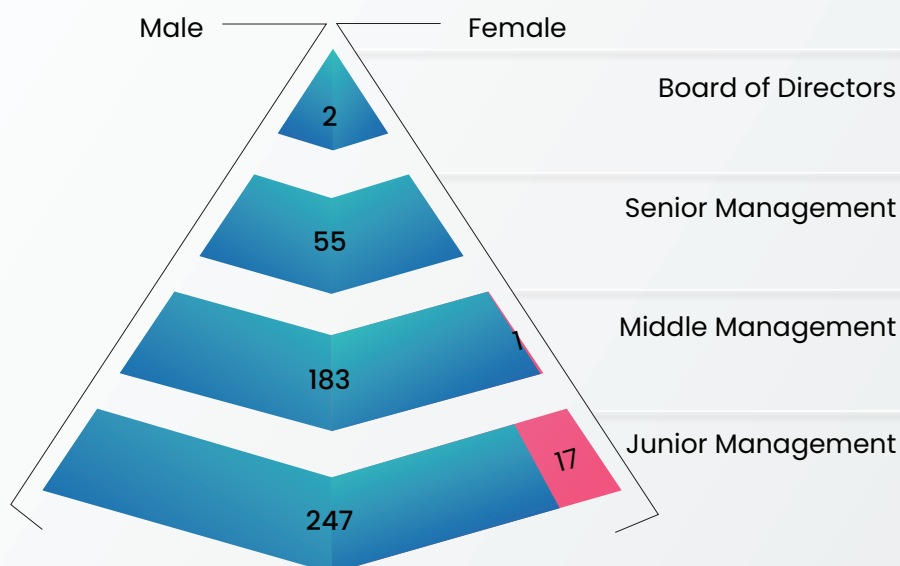


Employees by seniority can be categorized into several levels, each with distinct roles, responsibilities, and levels of experience. Among the permanent employees, in the management category, we have a total of 505 employees including 2 Board members. The employee distribution by seniority is shown below:

Employees Category by Gender (2022-2023)



Employees Category by Gender (2023-2024)



New Hires

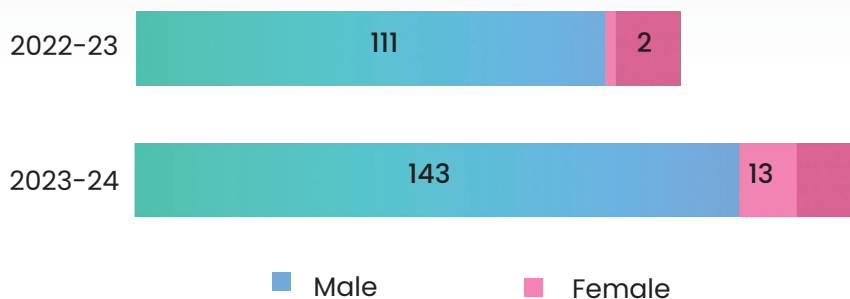
New hires in an organization indicate its strategy and ability to attract diverse qualified employees. It signifies the efforts taken by the organization to implement inclusive recruitment practices based on age and gender. It also signifies the optimal use of available labour and talent in different regions.

In FY 2023-24, we had a total of 113 new hires in the permanent employee category of which 2% were female and the remaining were male employees,

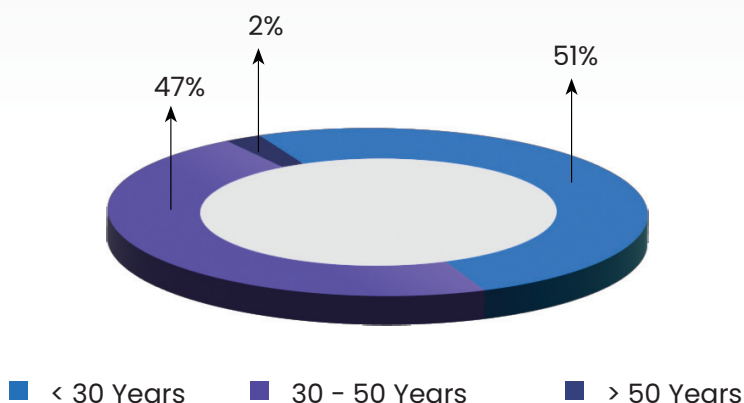
whereas in the baseline year (2022-23) 8% of new hires were females.

In reporting year, most new hires are in the age group of below 30 years, constituting 51% of the total hires, followed by the 30-50 years, accounting for 47%, while those above 50 years constituted the remaining 2%. However, in the baseline year, we had the maximum hiring in the 30-50 years age group at 54%, followed by the below 30 years age group at 40% and 6% in the above 50 years age group.

New Hires by Gender



New Hires by Age





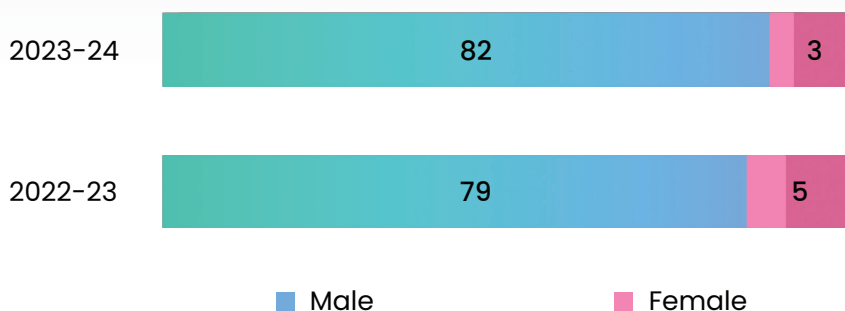
Turnover

Employee turnover results in changes to the human and intellectual capital of the organization and can impact productivity. Turnover has direct cost implications either in terms of reduced payroll or greater expenses for the recruitment of employees.

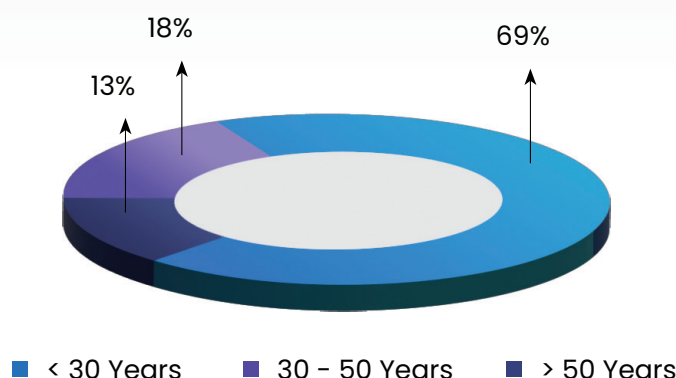
In the reporting period, the total turnover of employees in the permanent category was 85, with the majority occurring among males, accounting for 82 employees, while only three (3) were female. A similar trend is observed in the

baseline year. The turnover rate varied significantly across different age groups. In 2023-24, the highest turnover occurred in the 30-50 years age group, accounting for 69%, while the below 30 years age group accounted for 18%, and the above 50 years age group was at 13% of the turnover. In comparison, during FY 2022-23, the highest turnover was observed in the 30-50 years age group at 61%, followed by the below 30 years group at 32%, and the above 50 years group at 7% of the total turnover.

Employees Turnover by Gender



Employees Turnover by age Category (2023-24)



Employee Engagement

Our employees form the fundamental strength of the organization. We recognize that employee's commitment, enthusiasm and well-being directly contribute to the overall growth of the organization. We have implemented an array of initiatives to keep our employees engaged and motivated. This strengthens the bond of employees with the organization and promotes improved employee retention.

We actively engage our employees through a series of programs, which include commemorating our roots on Founder's Day, embracing the spirit of excellence during Quality Month, celebrating festivals, and other days of national importance such as Women's Day, Safety Week, etc., we honour the diverse facets of our industrial journey.

Women's Day is celebrated to pay tribute to the achievements and contributions of our women workforce. We recognize their strength, resilience, and the vital roles they play in shaping societies around the world.

Our commitment to diversity and inclusivity is further exemplified by celebrating a variety of religious festivals, including Diwali, Christmas, Dusshera, Sri Ramanavami, and Pongal. The 'Family Connect' initiative, along with the 'Coffee with Plant Head' session and 'Pulse,' our dedicated employee connect program, are instrumental in facilitating employee engagement within our organization.



Quality Month Celebration



Women's day Celebration



Pulse – Employee Connect



Diwali Celebration



Christmas Celebration

Employee Engagement

To promote holistic well-being among our employees, we have implemented a comprehensive wellness program that includes online laughter yoga sessions to nurture joy and manage stress alongside health and wellness workshops.

At our organization, we actively encourage employee participation in sports. Our employees have enthusiastically taken part in the JKO Cricket Premier League 2024 and the JKO Women's Premier League 2024 showcasing sporting skills. We believe that sports not only promote

physical fitness but also foster discipline, teamwork and competitive spirit.

A "Long Service Award" is a recognition given to employees who have dedicated a significant amount of time and service to the organization. It is a gesture of appreciation for their loyalty, commitment, and valuable contributions over an extended period. At JK Fenner, we present Long Service Awards to employees who have served 10, 20, and 25 years in the organization, recognizing their invaluable contributions.





Coffee with Plant Head



Long Service Award



JKO Cricket League 2024



Founder's Day Celebration



Republic Day Flag Hoisting



JKO Women's Premier League 2024



Virtual Laughter Yoga Session

Learning & Development

In today's dynamic business landscape, where technology races forward and industries constantly evolve, employee training and upskilling are no longer optional, but essential. We consider them the fuel that propels our workforce, keeping them equipped, engaged, and prepared to navigate the ever-shifting currents of change. By investing in ongoing learning opportunities, we empower our employees to adapt to new technologies, excel in their roles, and contribute more effectively to organizational goals. We engage our staff in multiskilling operations to enhance internal capabilities, address absenteeism, boost productivity, and motivate employees. In instances where there is a skill gap, we leverage our multiskilled operators to mitigate crises. We also nominate our staff to other industries to acquire best practices, which they can then implement in our business.

At JK Fenner, we value the importance of training and capacity building of our workforce to enhance their knowledge, abilities and their quality of life.

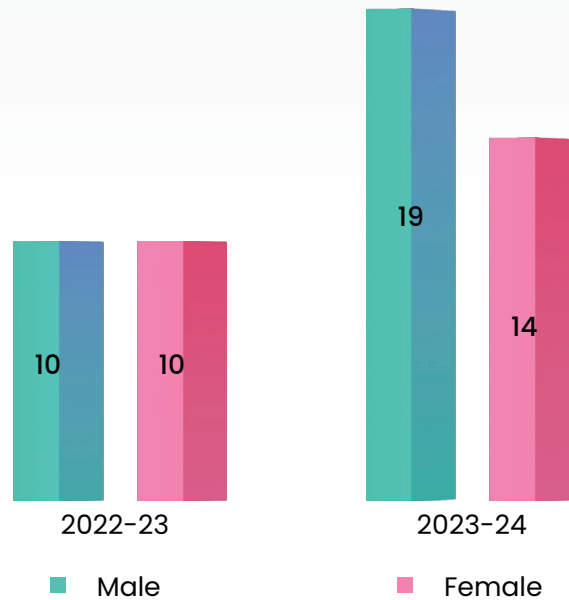
In the FY 2023-24, the average training hours for female employees was 14 hours, while it was 19 hours for male employees. Our training programs encompass a wide array of topics, including technical and soft skills, health & safety, human rights and personal development. The training was provided for employees across different employee categories.

During the reporting period, permanent employees received an average 17 hours of training. Female permanent employees received an average of 32 hours, while male permanent employees received 16 hours of training. Contract employees, on the other hand, received an average of 19 training hours. Female contract employees received an average of 13 hours, while male contract employees received an average of 21 hours of training. This fiscal year saw a significant increase in training hours compared to the previous year, indicating a substantial enhancement in professional development for our employees.

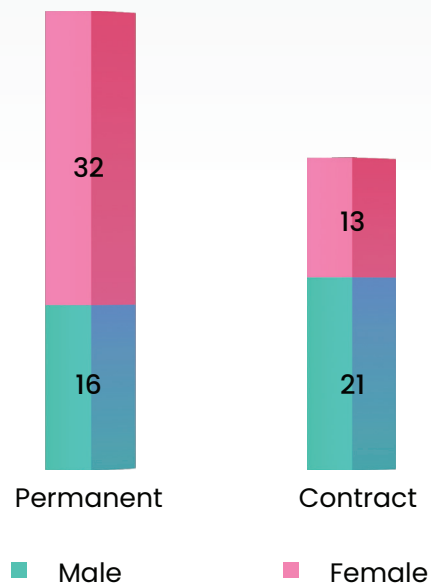


Learning & Development

Average Training hours by Gender



Average Training hours by Employee Category, 2023-24



71.6% increase in total training hours from FY 2022-23.

To identify and hone employee capabilities, as well as foster relationships within the JKO group, we annually organize UDAAN competitions focusing on specialized topics. We consistently acknowledge and reward outstanding contributors to innovation. This regular recognition serves as a recurring practice, allowing others to emulate the achievements of these contributors and aspire to excel.

Cross-functional teams (CFT) and employee motivation activities, such as JK Udaan, Quality Circles, Six Sigma, ACMA Zero Effect and Zero Defect, Asset Turn Improvement projects, VSM, Kaizen, Continual Improvement projects, and the Suggestion scheme, collectively contribute to enhancing innovative skills among employees. These initiatives focus on fostering both radical and incremental innovation across the workforce.



Training on Product



Supplier Engagement Training



ESG Training



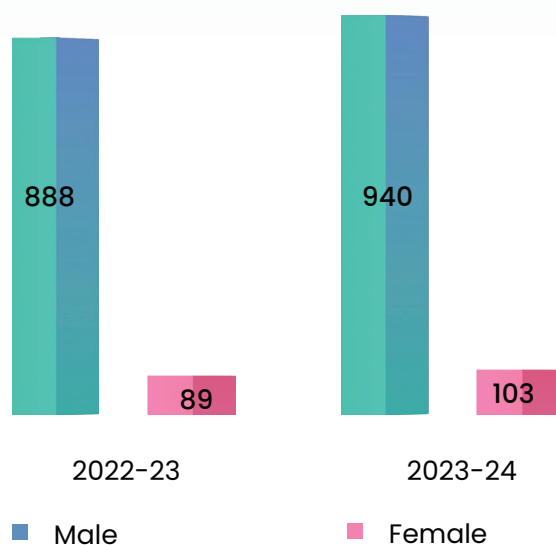
Training on Self Development

Performance and Career Development Reviews

Performance appraisal offers feedback on performance, sets clear goals aligned with organizational objectives, identifies training needs for growth, promotes open communication, and addresses performance issues promptly, enhancing overall productivity. At JK Fenner, regular performance and career development reviews are conducted for employees across different categories.

In FY 2023-24, a total of 1043 employees received regular performance and career development reviews, covering 48% of employees in the permanent category and 24% among contractual employees. This covers around 34% of our total employees. Overall, there is a notable 6.8% increase from the previous year.

Performance & Career Development Review by Gender (Numbers)





Parental Leave

At JK Fenner, we understand that every team member is not just an employee but also plays a vital role in their family. The joy of welcoming a new child is immeasurable, and the dedication and time required to nurture the new addition to the family is profound. Recognizing the diverse needs of our workforce, we are committed to supporting the well-being of our employees and their families through comprehensive parental leave policies. Our approach ensures that all parents, regardless of gender, are able to nurture their new family member. This policy allows our employees to take the necessary time for childcare arrangements and to ensure the welfare of their newborn.

The parental leave helps fostering a supportive environment that values work-life balance and family responsibilities. Permanent female employees are entitled to paid maternity leave in compliance with the Maternity Act. Permanent male employees are granted paid paternity leave to assist with the early caregiving responsibilities for their newborn. During FY 2023-24, among the permanent employees, a total of 24 employees, availed parental leave that includes 21 men and three (3) women. Of these, 23 employees returned to work after their parental leave ended. Among the female employees, we had a return-to-work rate of 67%.

**96%**

Total return to work rate

**67%**return to work rate
(females)

Human Rights

Our company is dedicated to protecting the human rights of every employee. We implement robust policies and conduct comprehensive training sessions to ensure best practices are followed. Recognizing the significance of raising awareness among our staff, we offer awareness programs on PoSH (Prevention of Sexual Harassment) and other human rights issues.

In FY 2023-24, we received a total of eight complaints regarding labour and human rights concerns. We ensured each was

resolved satisfactorily, thereby maintaining a resolution rate of 100%. Our ability to effectively resolve all reported cases in both years reflects our organization's strong commitment to ethical practices and our dedication to upholding the rights and well-being of our employees.

During the current reporting year, a total of 1,198 employees were included under union representation, marking a modest increase from the 1,185 employees covered in the previous year.



100% resolution rate
pertaining to human
rights complaints



PoSH Training

Health & Safety

Ensuring the highest Occupational Health and Safety standards is paramount to our organization. We believe everyone deserves a safe and healthy work environment. We actively minimize risks and promote safe practices through comprehensive protocols and regular training. Our commitment to OHS enhances employee well-being, reduces accidents, and contributes to a sustainable future.

We at JK Fenner have consistently demonstrated a strong commitment to safety, as highlighted by our remarkable achievement of winning the National Safety Award consecutively for four years, from 2014 to 2017. This prestigious recognition is a testament to the company's innovative approach and drive for excellence in maintaining high safety standards.

At JK Fenner, all our plants are certified for Health and Safety Management System ISO: 45001. This ensures compliance with rigorous OHS practices. Our commitment extends to permanent and temporary workers, and all are covered under our comprehensive OHS policy. This collective effort provides a safe work environment for our workforce.

To maintain a safe and healthy workplace, our company systematically identifies hazards and assesses risks using a routine risk assessment checklist. For non-routine tasks, we employ Job Safety Analysis (JSA) and work permits. We investigate incidents and hazards using methods like the 5 Whys analysis and Failure Modes and Effects Analysis (FMEA).



GRI 403 - 1, 2, 8



Our commitment extends to empowering employees and workers with safety training and awareness programs, encouraging them to report work-related hazards. By conducting this training, we ensure that our employees are well-prepared to handle emergencies and work in a secure environment.

Our employees receive Occupational Health and Safety (OHS) training that covers a range of topics including First Aid, Fire Evacuation, Safety Protocols, Behavior-Based Safety, Personal Protective Equipment (PPE) Utilization, Material Handling, and Awareness of Unsafe Conditions (UC), Unsafe Acts (UA), Accident Prevention and general safety protocols. These measures are integral to the continual improvement of our Occupational Health and Safety (OHS) system, reflecting our dedication to the well-being of our personnel. The average training hours for female and male employees are 2.06 and 3.05 hours respectively.

We ensure the provision of high-quality OHS services to our employees through our dedicated medical team. Our team conducts regular audits and maintains comprehensive health records for all employees. We diligently record both minor and major accidents on a daily and monthly basis within the safety department. These records are meticulously reviewed and discussed with Heads of Departments (HODs) and the team to raise awareness and address any issues, ensuring that our workers are well-informed and safe.

We offer a range of voluntary health promotion services and programs to our employees, addressing significant non-work-related health risks. These initiatives are conducted by experienced doctors. We conduct regular health check-ups for employees to monitor their health, ensuring they receive professional guidance and support for their overall well-being.



Health Checkup for Employees



Our proactive safety measures and comprehensive training programs have effectively resulted in zero fatality, zero high-consequence injury rates, zero reportable work-related ill health in the reporting period. This milestone underscores our commitment to providing a safe and healthy work environment for all our employees. We recorded 106 work-related injuries, 68 non-reportable injuries and 1687 near-miss incidents.

The Lost Time Incident Rate (LTIR) is an essential metric that gauges the frequency of work-related incidents causing employees to lose time from work due to injuries. We have recorded a rate of 2.7 incidents per million hours worked that have led to lost work time. The Total Recordable Incident Rate (TRIR) accounts for all work-related injuries and illnesses that ranges in severity from those requiring basic first aid to those significant enough to result in lost work time. We have recorded current rate of 4.6 incidents per million hours worked this year. We are actively implementing strategies to address these incidents and prevent future occurrences.

ZERO

- fatalities
- high-consequence injury rate
- reportable work-related ill health



Fire Evacuation – Emergency Mock Drill



First Aid training for Employees

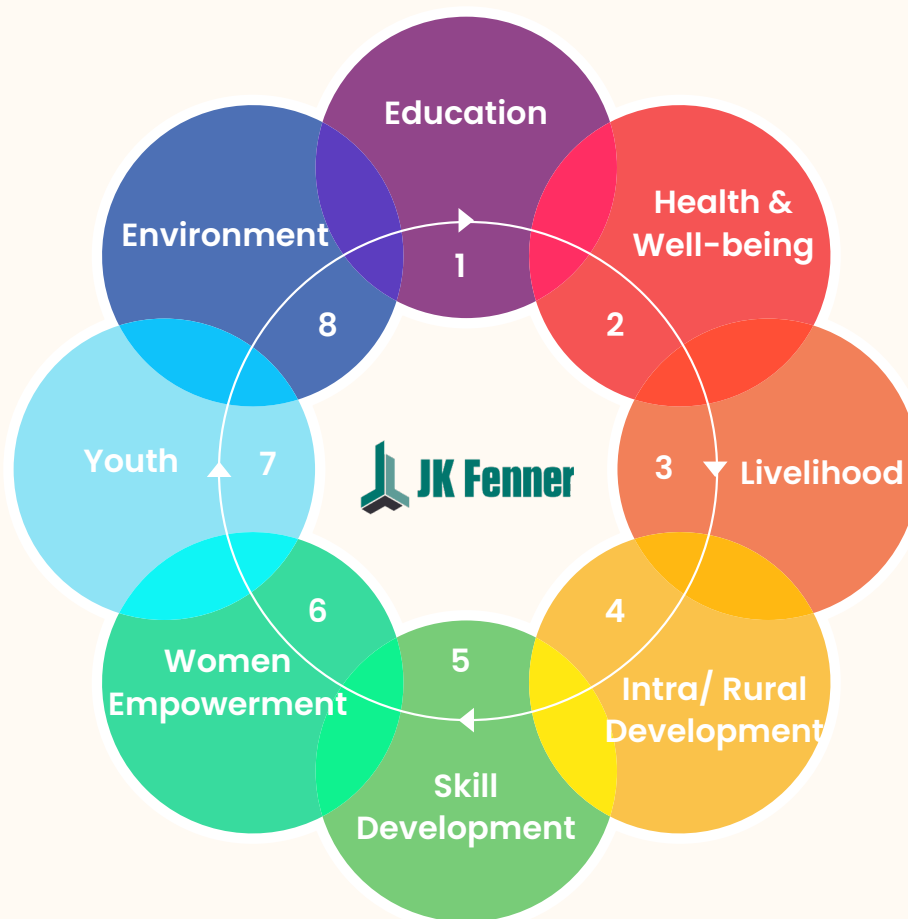


Community

We, at JK Fenner are committed to working for the development and welfare of society in the areas of Healthcare, Education, Livelihood, Rural Development, and Sustainability. Our CSR initiatives aim to improve the quality of life for underprivileged communities near our major facilities. Our company is actively involved in a multitude of community development efforts. These include bringing in positive impacts in the

domains of environment, education, health & well-being, livelihood, youth, women empowerment, infra/rural development and skill development. Such initiatives are instrumental in effecting lasting improvements in the lives of community members. Through our CSR initiatives over the years, we have impacted over 5,00,000 beneficiaries throughout India.

Spheres of CSR Engagement



Community



Community

- △ JK Fenner has laid down its CSR policy in the year 2014 with comprehensive framework covering focus areas, governance and monitoring mechanisms. The policy is in line with the Companies Act, 2013 schedule VII covering the areas of SDGs.
- △ JK Fenner is committed to working for the development and welfare of society while linking with SDG-1 (No Poverty-Livelihood), SDG-2 (Zero Hunger), SDG-3 (Good Health and Well Being), SDG-4 (Quality Education), SDG-6 (Clean Water and Sanitation), SDG-7 (Affordable and Clean Energy), SDG-8 (Decent Work & Economic Growth) and SDG-11 (Sustainable Cities and Communities).



**NO
POVERTY**



**ZERO
HUNGER**



**GOOD HEALTH
AND WELL-BEING**



**QUALITY
EDUCATION**



**CLEAN WATER
AND SANITATION**



**AFFORDABLE AND
CLEAN ENERGY**



**DECENT WORK AND
ECONOMIC GROWTH**



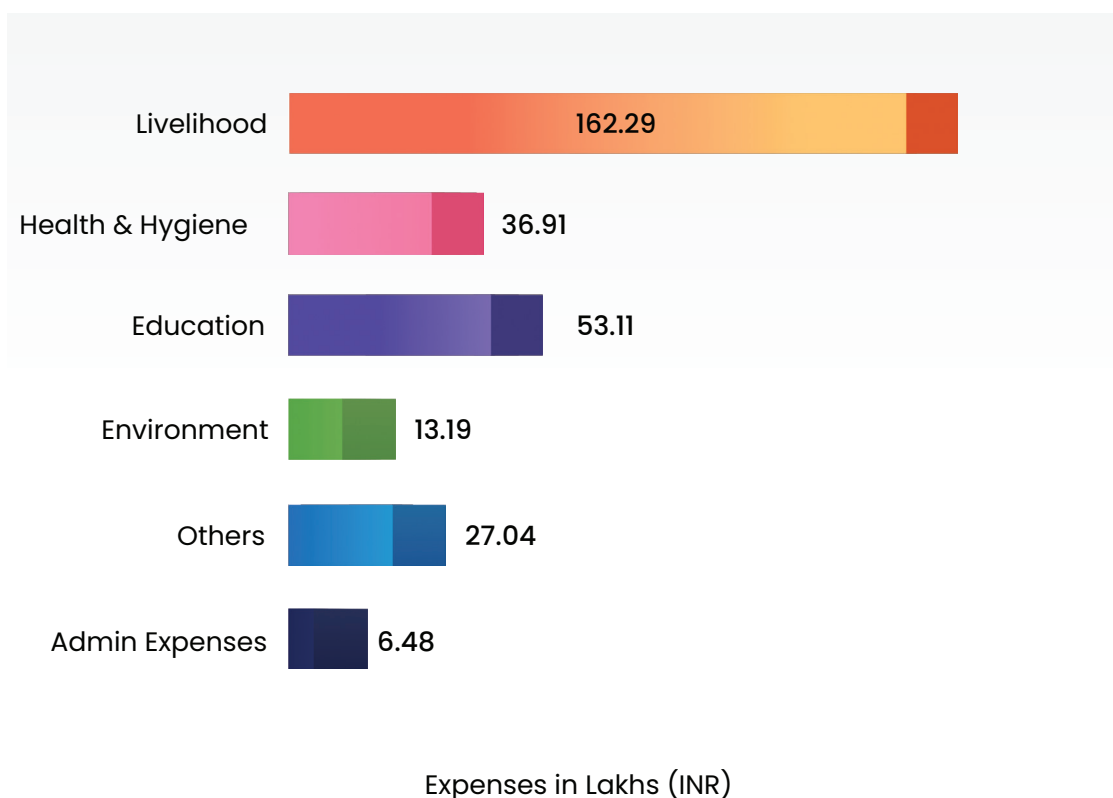
**SUSTAINABLE CITIES
AND COMMUNITIES**

The overall satisfaction rate of JK Fenner's CSR activities taking into consideration its outcomes, visibility, acceptance and sustainability of the initiatives is 96%.

Community

Our CSR initiatives have created a profound impact across six states—Tamil Nadu, Telangana, Delhi, Maharashtra, Uttar Pradesh, and Haryana—encompassing 13 districts and benefiting 24 villages. We have successfully reached a total of 64,500 beneficiaries with these efforts. Our collaborations with esteemed organizations such as NABARD, GMR, TVS Motor Co, Apollo Hospitals, Sankara

Nethralaya Chennai, Arvind Eye Hospitals Madurai, and Panchayat Ponthur have been instrumental in this significant outreach. For the FY 2023–24, our cumulative CSR expenditure stands at INR 299.02 lakhs, reflecting our commitment to community development and social responsibility.



CSR Initiatives

Livelihood Initiatives

- Automobile service technician program
- Mechanic upskill program
- Crusher technician upskill program
- Driving skill
- Jcb driving/repair
- A/C technician course
- Tailoring / Embroidery course
- Beautician therapy course
- Magam work(women special embroidery)
- Electrical motor winding.
- Flour mills to village women
- Sewing machines to village women

Environment

- 30 Solar Street Lamps in adopted villages.
- Trees planted- 2,100

Health & Hygiene

- Eye screening camps
- General health camp
- Menstrual health awareness camp
- Hygiene awareness
- RO plant
- Public health

Incubation

In association with IIT Kanpur,
Development of alternate eco-friendly
material belts.

Education

- Support to schools in rural area
- Educational aids for backward area
- Bicycles to girl Student of Govt. Schools
- Career counselling to students

Others

- Cyclone relief measures in Chennai, Tirunelveli & Tuticorin.

Livelihood

At J.K Fenner, we prioritize livelihood-based CSR initiatives to positively impact communities. Our efforts focus on generating self-employment, alleviating poverty, and providing upskill training. We are committed to empowering women through income-generating opportunities. By collaborating with government partners, we aim to enhance livelihoods and contribute to sustainable development.

Initiative 1: Skill Training Program for producing millet-based products & its benefits

Output:

- Producing Millet-based products – Dosa, Upma & chapati mix
- Facilitated FSSAI certifications and bank loans.

Number of beneficiaries (current year): 60

Total beneficiaries to date: 60



Outcome:

- Self-help group of women start their manufacturing and marketing ventures
- Participants earn a monthly salary of Rs. 3,000 to Rs. 5,000.
- Fosters economic independence
- Promotes the nutritional benefits of millet to a wider audience.
- One of the participants bagged the 1st Prize in a Millet competition conducted by the Leading Tamil Daily newspaper Dinamalar.

Initiative 2: A three-month automotive service training program

Partner: National Skill Development Corporation (NSDC)

Output:

- Facilitated placements for participants in OEMs and authorized service centres.

Number of beneficiaries

(current year): 22

Total beneficiaries to date:
1,474



Outcome:

- Participants earn a monthly salary of Rs. 10,000 to Rs. 14,000.
- 386 participants are employed, and 33 own a service centre (PMKVY loan) during the base year.
- Enhanced livelihoods and fostered entrepreneurship among the beneficiaries.

Initiative 3: Oneday-certified upskilling training program for mechanics

Partner: Automotive Skill Development Council (ASDC)

Output:

- Training on new technologies including sensor technology and electronic fault identification.

Number of beneficiaries

(current year): 340

Total beneficiaries to date:
1,640



Outcome:

- Enhanced professional skills of practicing mechanics

Initiative 4: A skill development training program on driving skills
Partner: Maruti Driving School
Output:

- Offers a 20 to 25-day program that includes both classroom instruction with simulators and on-road training.
- Assists in obtaining a driving licence

Number of beneficiaries (current year): 340

Total beneficiaries to date: 1,010



Outcome:

- Facilitated employment opportunities with leading cab aggregators like OLA/UBER and Maruti Driving School
- Participants earn a monthly salary of Rs. 12,000 to Rs. 14,000.

Initiative 5: Three months Tailoring / Embroidery Training & Certification Program

Partner: National Skill Development Corporation (NSDC)

Output:

- Offers certified training on tailoring/embroidery for rural women

Number of beneficiaries (current year): 300

Total beneficiaries to date: 1,890



Outcome:

- 16 participants got employment in the Garment industries with a monthly salary of Rs. 6,000 to Rs. 8,000.
- 304 participants started their own shops supported by the PMKVY loan.

Initiative 6: Three months
Beautician Therapy
Certification Course
Partner: National Skill
Development Corporation
(NSDC)

Output:

- Offers beautician therapy course for rural women
- Assists in obtaining PMKVY loan

**Number of beneficiaries
(current year):** 140

Total beneficiaries to date:
490



Outcome:

- 22 participants found employment in existing parlours.
- Remaining participants started their beauty parlours with a monthly income of Rs. 8,000 to Rs. 10,000.

Initiative 7: Women
empowerment through
vocational support
Partner: Shojhar Education
Trust.

Output:

- Provided sewing machines to 70 deserving women near the Patancheru plant.
- Donated flour mills to 10 widowed and single women in Snapur, Indresham, Muthangi, and Kyasara, near our Patancheru plant.

**Number of beneficiaries
(current year):** 80

Total beneficiaries to date: 80



Outcome:

- Enabled the underprivileged to forge a sustainable livelihood by equipping them with necessary vocational tools.

Initiative 8: One day Upskill Training certification program for Crusher Technicians

Output:

- Training on new technologies, problem-solving, and automation.

Number of beneficiaries (current year): 300

Total beneficiaries to date: 300



Outcome:

- Enhanced the proficiency of crusher technicians, thereby contributing to their professional growth.

Initiative 9: Two months JCB Training Program

Partner: State Government Transport Department of Tamil Nadu

Output:

- Offers a comprehensive two months classroom and practical training on JCB operation.

Number of beneficiaries (current year): 120

Total beneficiaries to date: 270



Outcome:

- Guaranteed job placement for all participants with a monthly salary ranging from Rs. 24,000 to Rs. 30,000.

Initiative 10: Skill Training Program on AC and Refrigeration

Partner: Tamil Nadu Skill Development Council (TNSDC)

Output:

- Offers a two months classroom and practical training on AC and Refrigeration

Number of beneficiaries (current year): 50

Total beneficiaries to date: 200

Outcome:

- 100% job placement for all participants.
- Participants earn a monthly salary ranging from Rs. 24,000 to Rs. 30,000.

Initiative 11: Crash course on Electrical Motor Winding

Partner: National Skill Development Corporation (NSDC)

Output:

- Offers a 40-day course on skills of winding and repair of Electrical Motors
- Applicable to professionals in industries such as crusher, aquaculture, and freelance consulting.

Number of beneficiaries (current year): 40

Total beneficiaries to date: 40



Outcome:

- 13 participants have secured job placements.

Initiative 12: Welding Course for Jail Inmates

Output:

- Offered a course on welding for first-time offenders and short-term convicts of Madurai Prison

Number of beneficiaries (current year): 30

Total beneficiaries to date: 30



Outcome:

- Facilitated employment opportunities for jail inmates after the completion of their term, with the IG of Prison attesting to their conduct.



Health & Hygiene

At J.K Fenner, we are dedicated to enhancing the health and hygiene of our community. Our commitment is reflected in our proactive approach to organizing health camps and awareness campaigns, as well as providing support to individuals with special abilities. We believe in creating a healthier environment through these targeted initiatives, ensuring that every member of our community benefits from our efforts.

Initiative 1: Free Eye Screening Camps

Partner: Sankara Nethralaya, Chennai and Aravind Eye Hospital, Madurai

Output:

- Conducted eye screening camps addressing issues such as cataracts, refractory disorders, and retina problems

Number of beneficiaries (current year): 1,910

Total beneficiaries to date: 11,360



Outcome:

- Provided 764 free spectacles and performed 230 free cataract surgeries this year.
- Overall provided 3,980 spectacles and performed 2,128 cataract surgeries.

Initiative 2: General Health Camps for Community Well-being

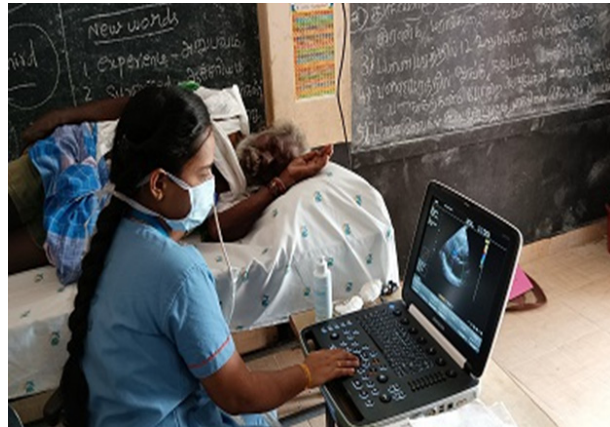
Partner: Apollo Hospitals

Output:

- Conducted General Health Camps in Hyderabad, Sriperumbudur, and Madurai to provide comprehensive healthcare services.

Number of beneficiaries (current year): 1,874

Total beneficiaries to date: 8,600



Outcome:

- Provided free medicines and referred advanced cases to base hospitals for further treatment

Initiative 3: Menstrual Health Awareness Camps

Output:

- Conducted menstrual health awareness camps in Government schools and junior colleges in villages near Patancheru and Pashamailaram.

Number of beneficiaries (current year): 3,470

Total beneficiaries to date: 4,175



Outcome:

- Awareness for students on menstrual hygiene and health
- Distributed free sanitary napkins to all beneficiaries.

Initiative 4: Empowering specially-abled people

Output:

- Provided artificial limbs to specially-abled individuals

Number of beneficiaries (current year): 10

Total beneficiaries to date: 10



Outcome:

- Enhanced mobility and well-being for specially-abled individuals.

Initiative 5: Installation of RO Water Plants at Rameswaram

Output:

- Installed RO water plant at Ramanathaswamy Temple in Rameswaram and various public places and villages

Number of plants (current year): 2

Total plants to date: 12



Outcome:

- Provide clean and safe drinking water to pilgrims and the public.

Initiative 6: Installation of
RO Water Plants in Schools**Output:**

- Installed RO water plant in the Government Upper Primary School in Pashamailaram.

Number of RO water plants installed (current year): : 2**Total RO water plants installed to date: 16****Outcome:**

- Provide clean and safe drinking water to school students.



Education

Initiative 1: Donating Bicycles to Girl Students

Output:

- Donated bicycles to students from grade 6 to 8 at Patancheru Government High School

Number of beneficiaries (current year): 70

Total beneficiaries to date: 70



Outcome:

- Facilitated an easy daily commute to school students.

Initiative 2: Career Counselling Sessions for Students

Output:

- Organized Career Counselling Sessions for 10th grade students in the villages around Patancheru.

Number of beneficiaries (current year): 400

Total beneficiaries to date: 400



Outcome:

- Provided valuable guidance and insights to help students make informed decisions about their careers.

Environment

Initiative 1: Installation of Solar Streetlamps

Output:

- Installed solar streetlamps in Kondakkal Village near Patancheru

Number of solar lamps installed (current year): 20

Total solar lamps installed to date: 140



Outcome:

- Enabled environmentally-friendly lighting solutions for our communities.

Initiative 2: Tree Planting

Output:

- Planted 2000 saplings in Madurai near Airport

Number of saplings planted (current year): 2,100

Total number of saplings planted to date: 1,10,000



Outcome:

- Enhanced the green cover, contributing to environmental sustainability and strengthening the local ecosystem.

Cyclone Relief

Initiative 1: Cyclone Relief in Chennai

Output:

- Provided essential support to affected families with temporary shelters, bedding essentials such as pillows and bedsheets, water bottles, napkins, mosquito repellents and school bags

Number of beneficiaries (current year): 700

Total beneficiaries to date: 700



Outcome:

- Aided in meeting the critical needs of affected individuals during the time of cyclone.

Initiative 2: Cyclone Relief in South Tamil Nadu

Output:

- Extended support to affected communities in Tuticorin and Tirunelveli by providing essential needs such as beds/ mats, a five day provision of necessities, napkins, and water bottles.

Number of beneficiaries (current year): 1,500

Total beneficiaries to date: 1,500



Outcome:

- Facilitated the provision of essential needs during the critical period.

Case Studies



Automobile Service Technician

We are proud to present the story of Selvaraj Pi, a young individual from Nagapattinam who, despite discontinuing his education after the 12th standard and the irregular income of his fisherman father, has successfully forged a new path in his life. His keen interest in automobiles led him join to our mechanic course. With dedication, he mastered the skills necessary for a 4-wheeler mechanic. Today, Selvaraj is working as a Trainee Technician at Vijay Trucking Ltd, an authorized dealer of Tata Motors Ltd., earning a monthly salary of Rs. 14,000 plus incentives. His success not only brings financial stability to his family but also has paved way for his professional future.



Case Studies



Driving Skill Training

We are honored to share the story of Mrs. Karthika, a 32-year-old woman from the small village of Sivaganga in Tamil Nadu. Twelve years after relocating to Chennai due to marriage, she faced the tragic loss of her husband during the Covid pandemic. With no support from the family and a young daughter to care for, Mrs. Karthika initially worked as a housemaid. Seeking a better future, she then enrolled herself in the training from our driving school at Vishnu Cars, Chennai. Today, she stands as a testament to resilience and empowerment, working as a qualified trainer earning a monthly salary of Rs. 14,000 plus incentives, achieving self-reliance and taking care of her daughter.



Case Studies



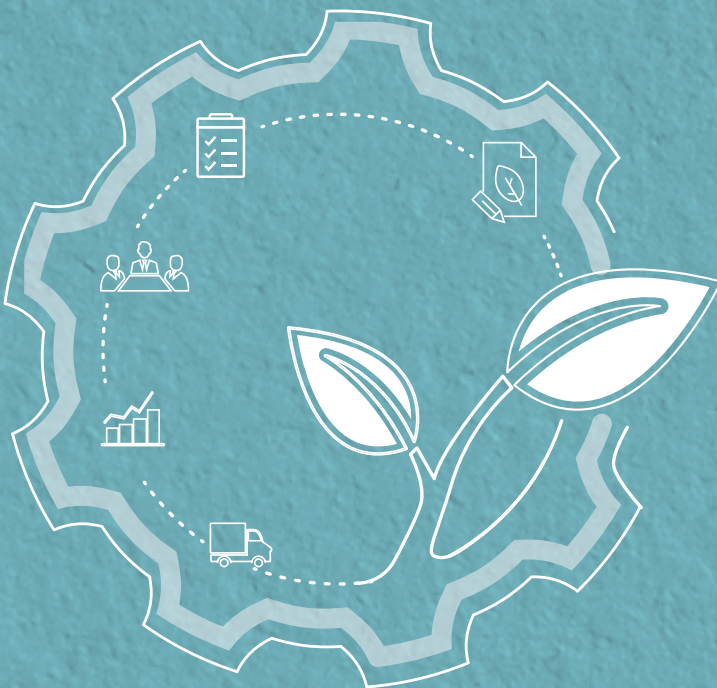
Computer Skill Training

We take immense pride in sharing the journey of , Mrs. Devika, who hails from Ponthur Village. Being a 12th grade passed out, she joined us at the Computer Skill Centre in Ponthur, determined to enhance her skills. Her hard work and dedication paid off when she secured employment with Jay Ushin Limited at SIPCOT Sriperumbudur. As a Data Entry Operator in the Purchase Department, she has been adeptly handling Invoice Entry and MIS. She has been earning Rs.18,000 per month for the past 10 months, marking a significant milestone in her career. We are honored to have played a part in her journey towards self-sufficiency and professional growth.



05 PROCESS

- ◇ Corporate Governance
- ◇ Value Chain Sustainability
- ◇ Product Portfolio



UN SDGs Aligned



Corporate Governance

A robust governance framework provides a solid foundation for responsible decision-making, fostering a culture of integrity, and ensuring accountability across all levels of the organization. This commitment is not only essential for maintaining stakeholder trust but also for navigating the complex challenges and opportunities presented by the evolving business landscape.

By prioritizing good governance practices, we strive to create a thriving and sustainable future for JK Fenner and all its stakeholders including the communities we serve. This includes establishing clear lines of responsibility, maintaining transparent communication, and adhering to the highest ethical standards. Through these efforts, we aim to build a strong foundation for long-term success and contribute positively to a sustainable future for all.

We function within a sound framework of corporate governance which underlines its commitment to quality of governance, transparency in disclosures, consistent stakeholder value enhancement and corporate social responsibility. We adhere to our six principles of corporate governance that guides us in decision making and our actions.

We have set governance systems that enable long-term stability and growth for our company. These are –

Performance Management System:

A Performance management system ensures that the strategic & operational priorities envisaged in the plants and functions are achieved through review mechanisms and other interventions. The performance management system inherently includes mechanisms for analyzing the gaps between the previous year's performance and targets. It facilitates learning from mistakes, exploring new developments, benchmarking against others, and identifying strategies to achieve the targets for the current year.

Change Management System:

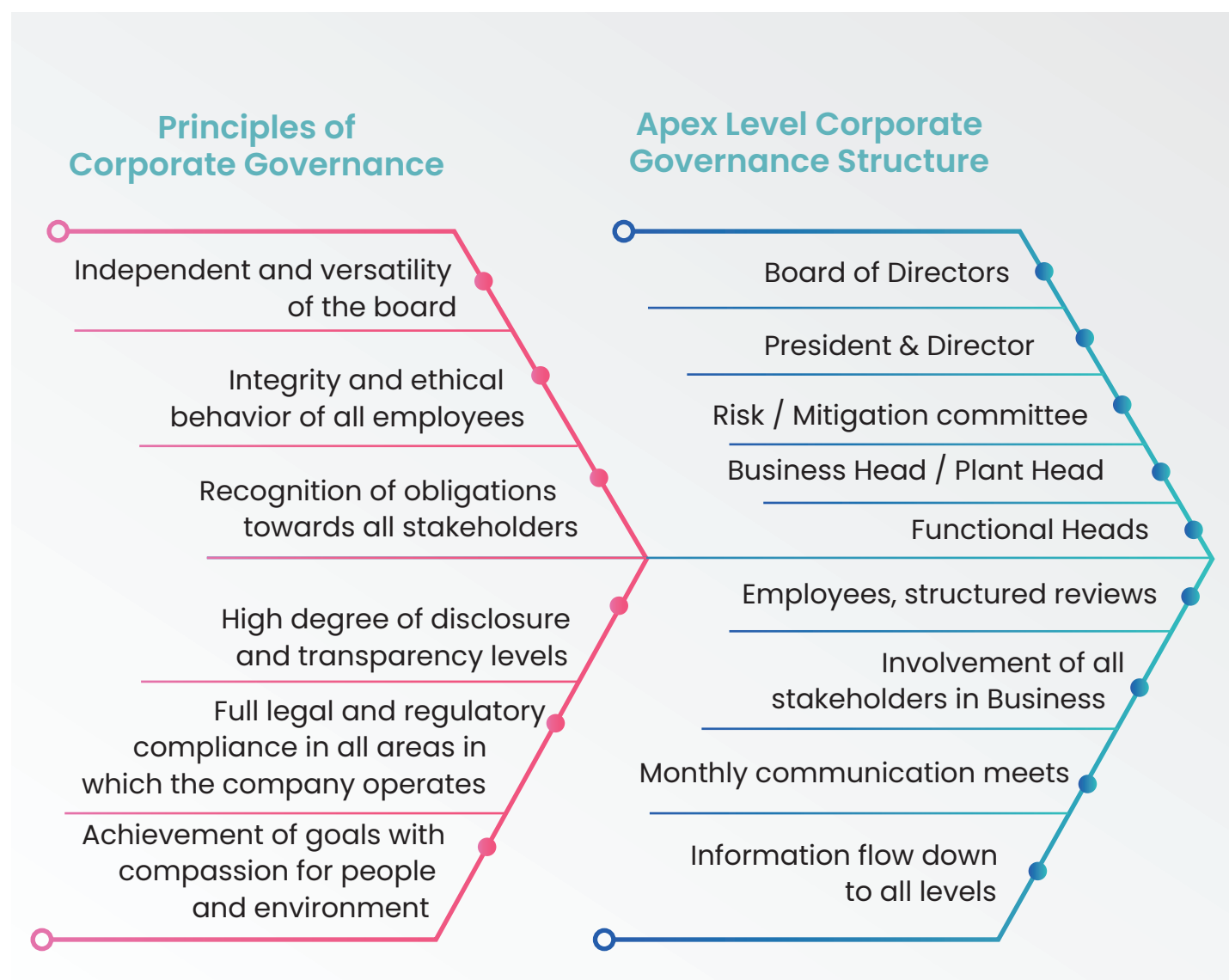
Expectations from employees and other key stakeholders are gathered and utilized in the formulation of strategies. A yearly SWOT analysis is conducted at the business level and consolidated at the plant levels to provide input for the Strategic Business Plan (SBP). Drawing from these insights, the management has implemented a change management process. This involves communicating the necessity for change and outlining a systematic approach for its implementation.



Audits and Assessments:

Internal audit structure for carrying out regular audit of the processes is there for compliance of relevant rules, policies, and guidelines. Audits by agencies such as

TUV and other regulatory agencies are also regularly performed. Various internal and external audits for certifications of QMS, OHSAS, & 5S etc., are also done.





Corporate Governance

The governance philosophy of the company is firmly rooted in its core values of integrity and caring for people. The emphasis on intellectual honesty, openness, fairness, and trust forms the cornerstone of high governance standards for us at JK Fenner ensuring that all actions and decisions are transparent, equitable, and grounded in ethical principles. This fosters a culture of integrity and accountability, which is essential for building stakeholder confidence, promoting sustainable growth, and achieving long-term success.

Board of Directors

The Board of Directors guides and oversees major strategic decisions in the organization and helps attain long-term goals. The Board of Directors of JK Fenner consists of 9 members as of 31st March 2024, of which 3 are Independent and 4 are Non-Independent Directors. The Board diversity is at 11%.

In the reporting period, 4 Board meetings were held. The Board periodically reviews the compliance reports and the steps taken by the company for any non-compliance.

Board of Directors

Name	Designation
Dr. Raghupati Singhania	Chairman
Shri. Harsh Vardhan Lodha	Director
Shri. Harsh Pati Singhania	Director
Shri. Rahul C. Kirloskar	Director
Shri. Bakul Premchand Jain	Director
Smt. Mamta Singhania	Director
Shri. Surendra Malhotra	Director
Shri. Vikrampati Singhania	Managing Director
Shri. Nagaraju Srirama	Whole-time director
Shri. Amit Agarwal	CFO
Shri. J. Swaminathan	Company Secretary

Board Competence:

A competent board provides the necessary oversight, strategic direction, and leadership to ensure the organization's success. Their expertise, experience and ethical standards are vital for fostering a resilient, sustainable, and high-performing organization.

The Board has the following core skills/ expertise/competencies that are essential in the context of the operations at JK Fenner.

- Leadership & Management
- Financial Planning
- Managerial Experience
- Diversity
- Risk Management
- Corporate Governance

33%

Independent Directors

**11% Women**
representation in the
Board

Board Committees

Board and its committee are specialized groups with the company's board of directors, established to focus on specific areas of governance and operational oversight. These committees enable the board to manage the responsibilities more effectively and ensure in-depth analysis and discussions on critical aspects of the business. This helps increase accountability and Board oversight over all relevant company matters.

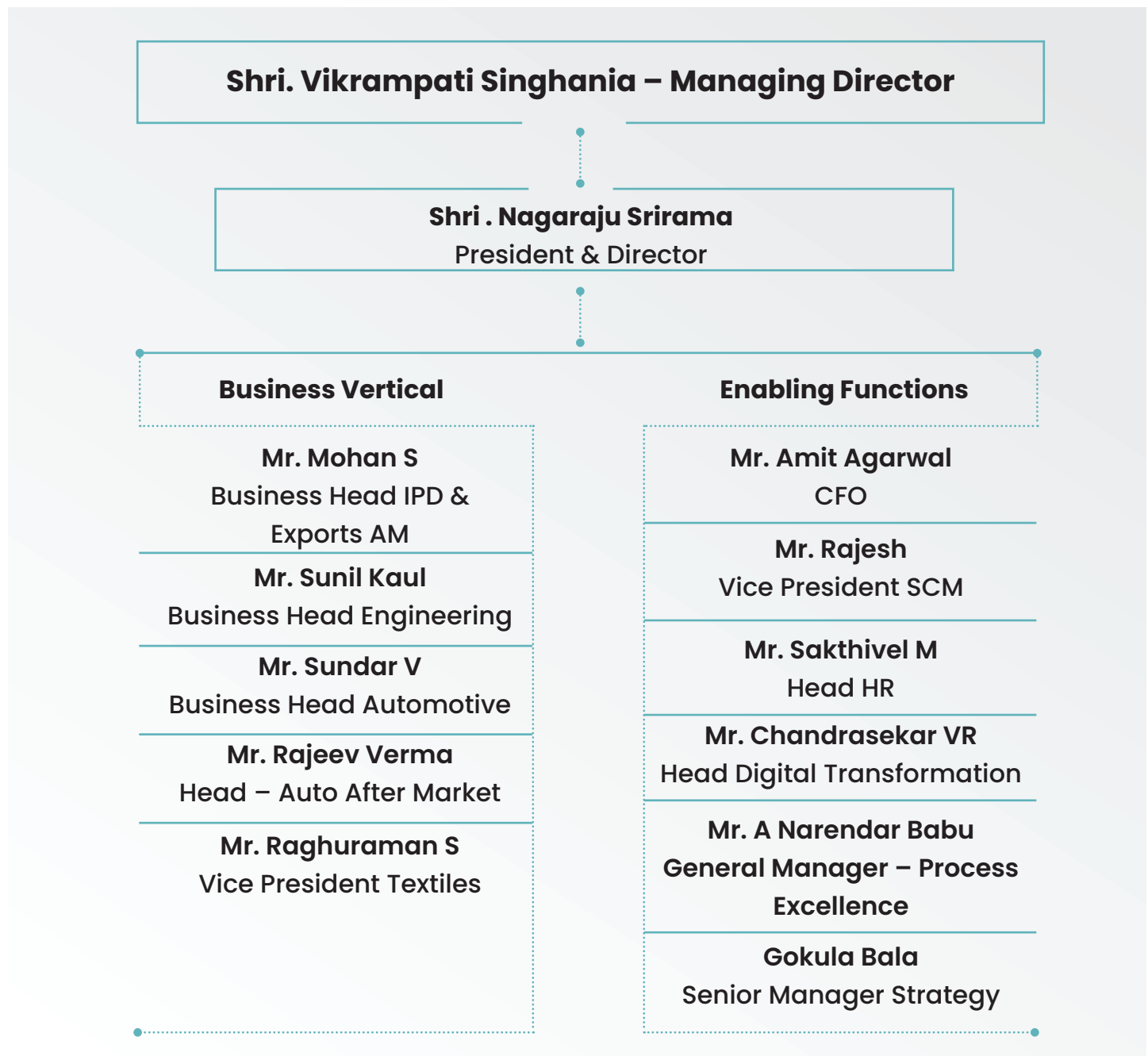
In the reporting period, we have the following committees:



Organizational Structure

We have a formal Organisation structure that represents various departments and delegations at hierarchical level. Functions like, operations, quality, research & development, customized product development and supply chain, sales are operated from plants. Marketing, HR, procurement and finance are supported from the corporate office.

Organizational Structure



Key Policies

Policies provide a framework for consistent decision-making, guide behaviour, and ensure compliance with laws and regulations. Well-designed and effectively implemented policies are essential for any organisation's smooth functioning, growth, and sustainability.

They provide a foundation for governance, foster a positive work environment, and support achieving strategic objectives. At JK Fenner, we have a comprehensive set of policies in place, which helps us proactively monitor and report performance across various facets of ESG.

Key policies at JK Fenner

HR Department

- Code of Conduct
- Employee Welfare Policy
- Grievance Resolution Policy
- Health & Safety Policy
- Training & Development Policy
- CSR Policy
- Medical Scheme Policy
- PoSH Policy
- Long Service Award Policy
- Self Development Policy
- Job Rotation Policy
- Employee Referral Policy

IT Department

- Information & Cyber Security Policy

Marketing Department

- Brand Management Policy
- Confidential Information Policy
- Trade Policy

Finance Department

- Capex Policy
- Bad debt Policy
- Nomination and Remuneration Policy
- Vigil Mechanism/ Whistle Blower Policy
- Risk Management Policy

Risk management

Navigating Challenges, Embracing Opportunities:

The business landscape is constantly evolving, presenting both challenges and opportunities. Understanding these are crucial for making informed decisions, adapt to changing market conditions, and develop strategies to secure the competitive edge. By proactively addressing both challenges and opportunities, we aim to build a resilient and sustainable future for our company. Some of the challenges that we face are—



Operational Challenges:

Operational challenges stemming from dynamic price fluctuations, ensuring the availability of raw materials, and disruptions in both international and domestic supply chains.



Human Resources:

Efforts are consistently directed towards meeting the needs and expectations of employees, emphasizing the optimal utilization of their potential. Employee satisfaction stands as a paramount factor in achieving excellence in our processes, reflecting our commitment to nurturing a positive work environment.



Societal Responsibilities/ Challenges:

In our pursuit of contributing to the industrial growth of the nation, we acknowledge the importance of dedicated service to society. This commitment encompasses sustainable growth and mutual development with our satellite manufacturing partners, reflecting our awareness of societal responsibilities and challenges.



Key Opportunities:

Diversification of product segment, penetration into global markets.

Critical Success Factor – CSFs are identified on an annual basis at the start of the financial year. Each CSF is the responsibility of the concerned functional head. Progress is reviewed periodically by top management. It typically caters to the areas of organizational capability development, transformation, quality, digitalization, process improvements, customer focus and society contributions.

Value Chain Sustainability

The supply chain plays a vital role in driving efficiency, responsiveness, and sustainability across the entire business ecosystem, making it integral to business success. A well-managed supply chain is crucial for ensuring efficiency, reducing costs, meeting customer demands, and maintaining competitive advantage in the marketplace.

Our commitment lies in nurturing a responsible and ethical supply chain aligned with our ESG strategy. This entails actively involving suppliers, incorporating ESG considerations into procurement procedures, and rigorously monitoring adherence to our set standards.

As part of our ESG goals, we have set a goal of introducing a Supplier Code of Conduct across our supply chain. We are in the process of setting up measures

to assess our suppliers for their environmental and social impact. In the reporting period, no new suppliers underwent screening based on environmental or social criteria.

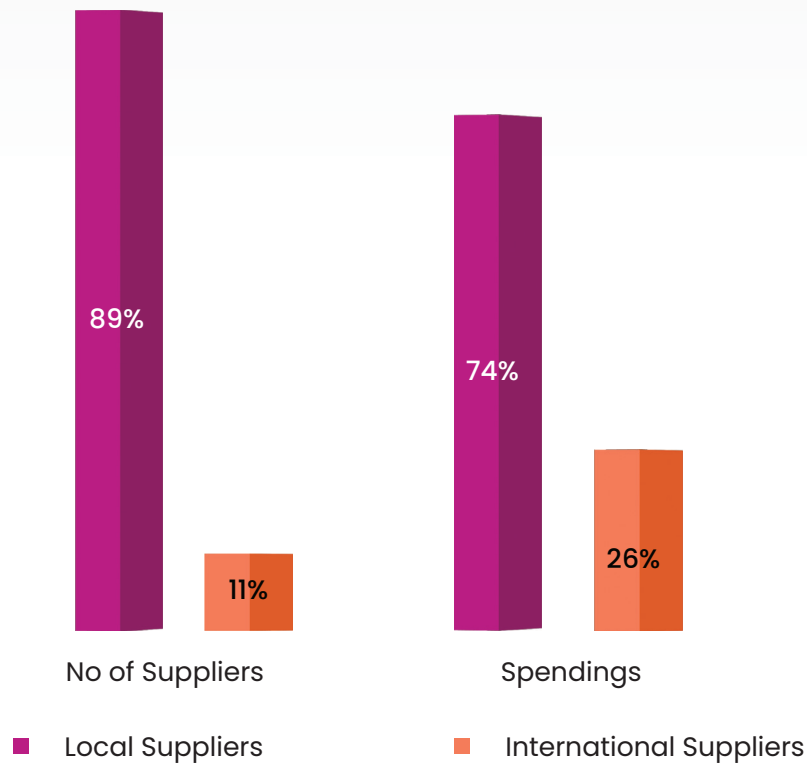
During the 2023-24 period, we partnered with a total of 273 suppliers, which consists of 89% local suppliers and 11% international suppliers. Local suppliers account for 74% of the supply chain expenditure while 26% of the expense from International suppliers. Of the total suppliers, 52% of the suppliers are certified for ISO 9001 and about 4% of the suppliers have an environmental management system.

Our association with our suppliers shows that 49% of the suppliers have been associated with us for 5-15 years, whereas 40% are associated for less than 5 years and 11% for more than 15 years.

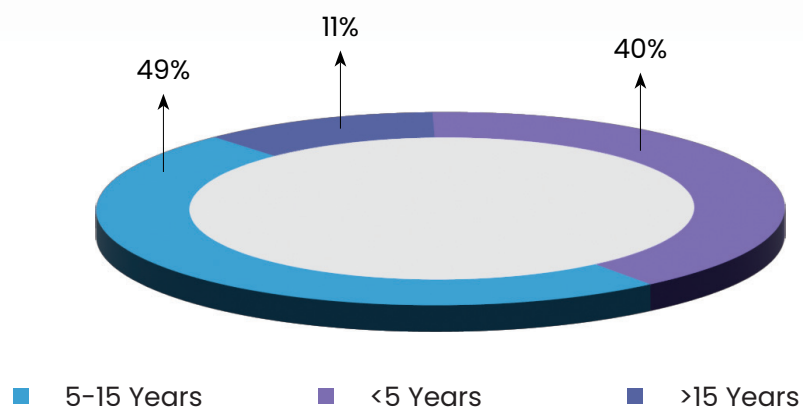


Value Chain Sustainability

Suppliers Type & Spendings



Suppliers Duration





Product Portfolio

JK Fenner is renowned for having over five decades of experience leading the market in the production, sales, and distribution of power transmission and sealing solutions. These products are designed for a wide range of industrial uses for both domestic as well as international markets.

Our industrial solutions feature power transmission belts and sealing solutions, along with hoses and rice rolls, while our industrial drives and automation solutions include industrial transmission drives, industrial automation drives and aqua transmission drives.

In the automotive sector, our automotive OE solutions offer comprehensive engine system solutions, sealing, and fluid transfer solutions, along with moulded rubber products.

For the auto aftermarket, we provide a wide array of transmission belts, accessories, sealing & fluid transfer solutions along with new auto products.

We also have expertise in offering EV solutions which encompasses belt drive systems, hub motor systems, and cutting-edge motor solutions.

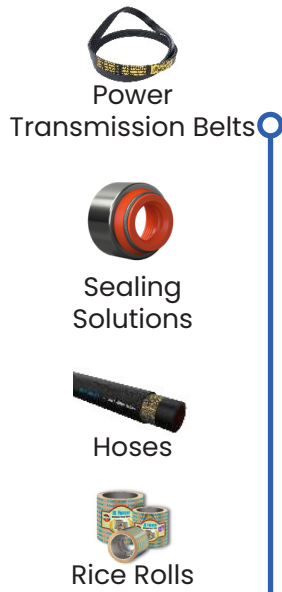
We also cater to the railway sector with products like wheel bearing seals, vibration control mounts, brake seals, valve components and pneumatic hoses.

Additionally, our defence solutions cover critical components like trackpads, road wheels, track assemblies, track pins, and water pumps. Our commitment to advanced technology is showcased through our focus on lightweight products, which enhances performance while minimizing environmental impact. We also cater to the requirements of significant sectors, including steel, cement, coal, sugar, power, paper, textiles, food processing, agriculture, and many more.

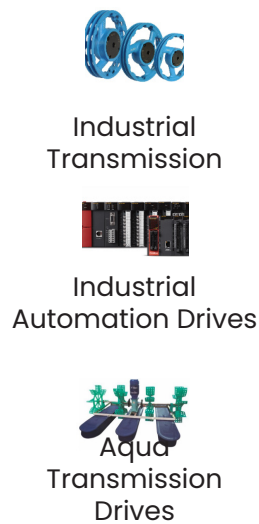


Our 7 Verticals and 100K+ SKUs/ Products

1 Industrial Solutions



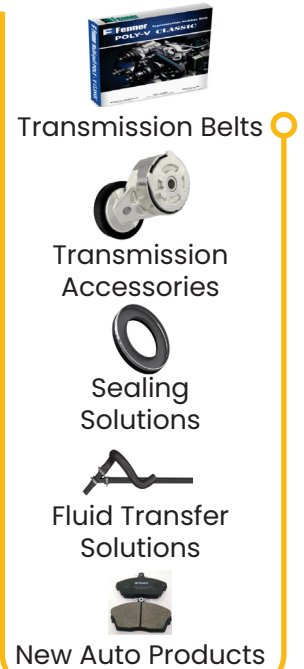
2 Industrial Drives and Automation Solutions



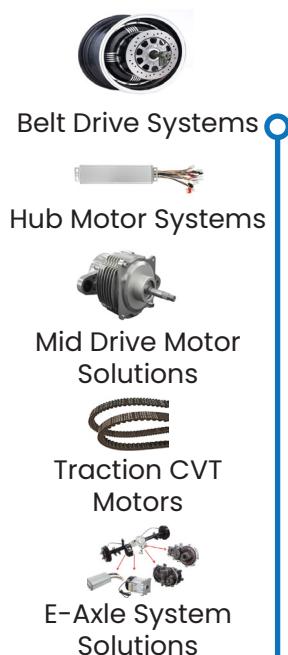
3 Automotive OE Solutions



4 Auto Aftermarket Solutions



5 EV Solutions



6 Railway Solutions



7 Defence Solutions





Our Product Portfolio

		Products	Industries Catered to
	Madurai 1	Power Transmission belts and Hoses	Industrial & Automotive
	Hyderabad 1	Power Transmission Belts, Seals, Gaskets & Rubber meta bonded Components	Industrial, Automotive and Railways.
	Chennai	Oil Seals, Vibration control Mounts, Boots, Bellows and Elastomer Gaskets	Industrial, Automotive, Railways and Defence
	Madurai 2	Power Transmission Belts, EV Transmission system and Automotive hose	Automotive
	Hyderabad 2	Engineered Products (Pulley & Couplings), Gear box, Aerators, Automation controllers	Process Industry, Infrastructure, Aquaculture, Industry automation

14

New Products
launched

6

Patents filed
to date

Innovation, tools and technology

We actively monitor technological shifts across all relevant areas. In related industries, these shifts encompass various aspects such as new product development, product performance, and sustainable development. We are proactively and purposefully enhancing our facilities and technologies to uphold our competitive standing. In alignment with sustainability goals, continuous modifications are being made to all products and processes to align with new technologies that have a reduced negative impact on the environment.

In the ever-evolving industries, R&D is crucial to stay ahead of the curve. We have three comprehensive Research and Development (R&D) Centers, to provide support to all the plants. We proudly stand as the sole company in India, within its business domain, to showcase a fully indigenous R&D initiative. Our R&D facilities are equipped with cutting-edge resources for validation and development.

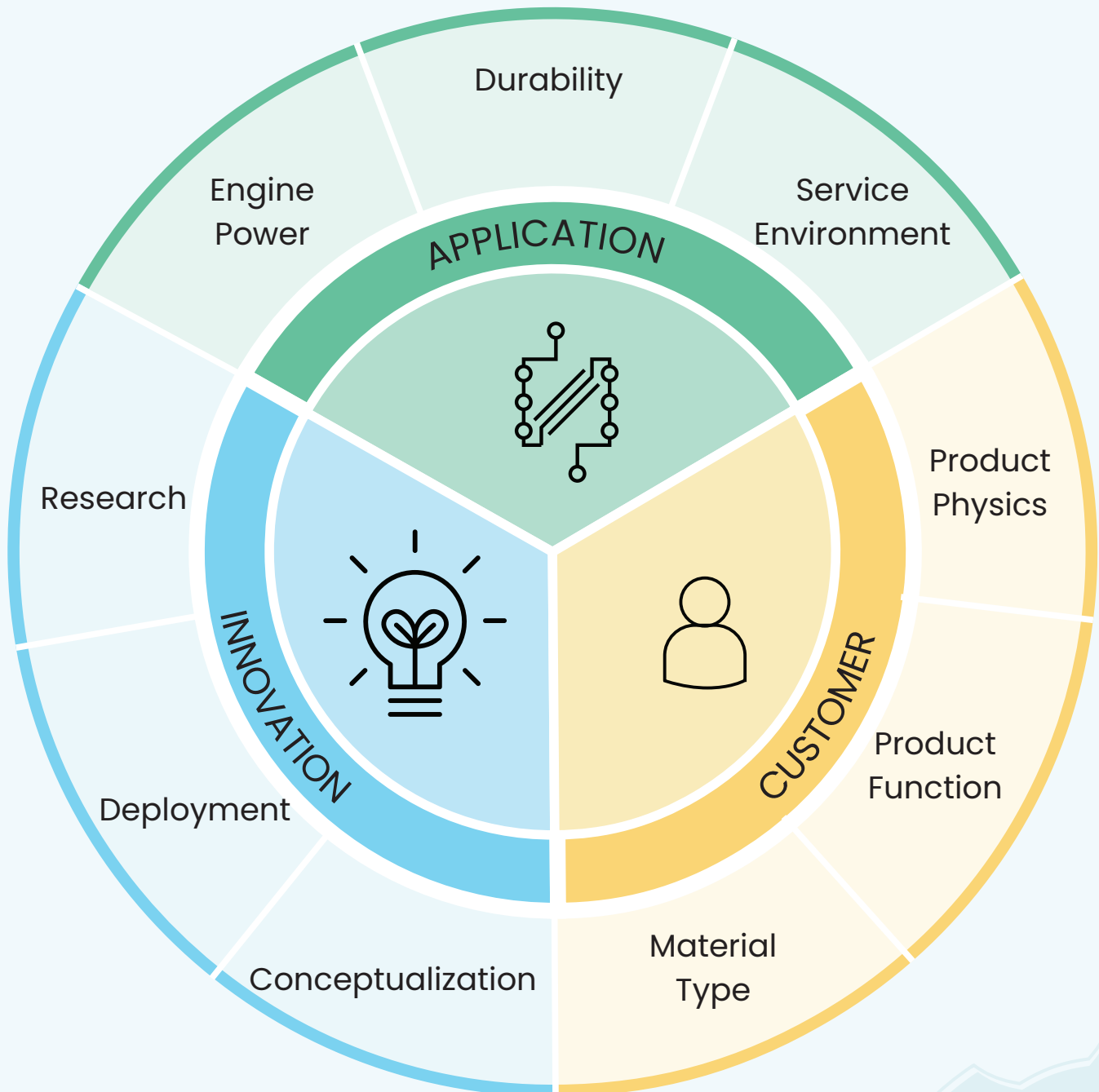
This helps us to create tailored solutions for our customers and emerging markets.

The systematic approach includes material development, validation, product design, development, simulations, and validations. This process is reinforced by robust project management, ensuring close monitoring and adherence to timelines.

Design Capability – Demonstrating versatile design proficiency with a distinctive set of capabilities and extensive experience in all facets of product design. Our in-house design team collaboratively works on CAD models throughout the entire process, from conceptualization to product launch. We specialize in crafting high-performance products and systems that adhere to the highest standards, offering quality and value propositions that consistently meet the expectations of customers worldwide.



Innovation, tools and technology





Product Portfolio

Materials –

Our “Best-in-Class” Analytical & Experimental Laboratory is dedicated to material development, fostering collaborative efforts with global material suppliers and customers to advance material technology. We are committed to continuous improvement in material technology to align with environmental regulations and promote progress in Green Chemistry. Our in-house capability enables the development of compounds for extreme applications, aligning precisely with customer functional needs.

Verification–

We consistently enhance our product design and simulation processes, employing cutting-edge tools to virtually optimize product and system designs. Leveraging complex techniques involving CAD, FEA, MBD, CFD, and fatigue analysis, we ensure the development of products and systems within the minimum possible time frame while meeting demanding quality, durability, and safety requirements.

Validation–

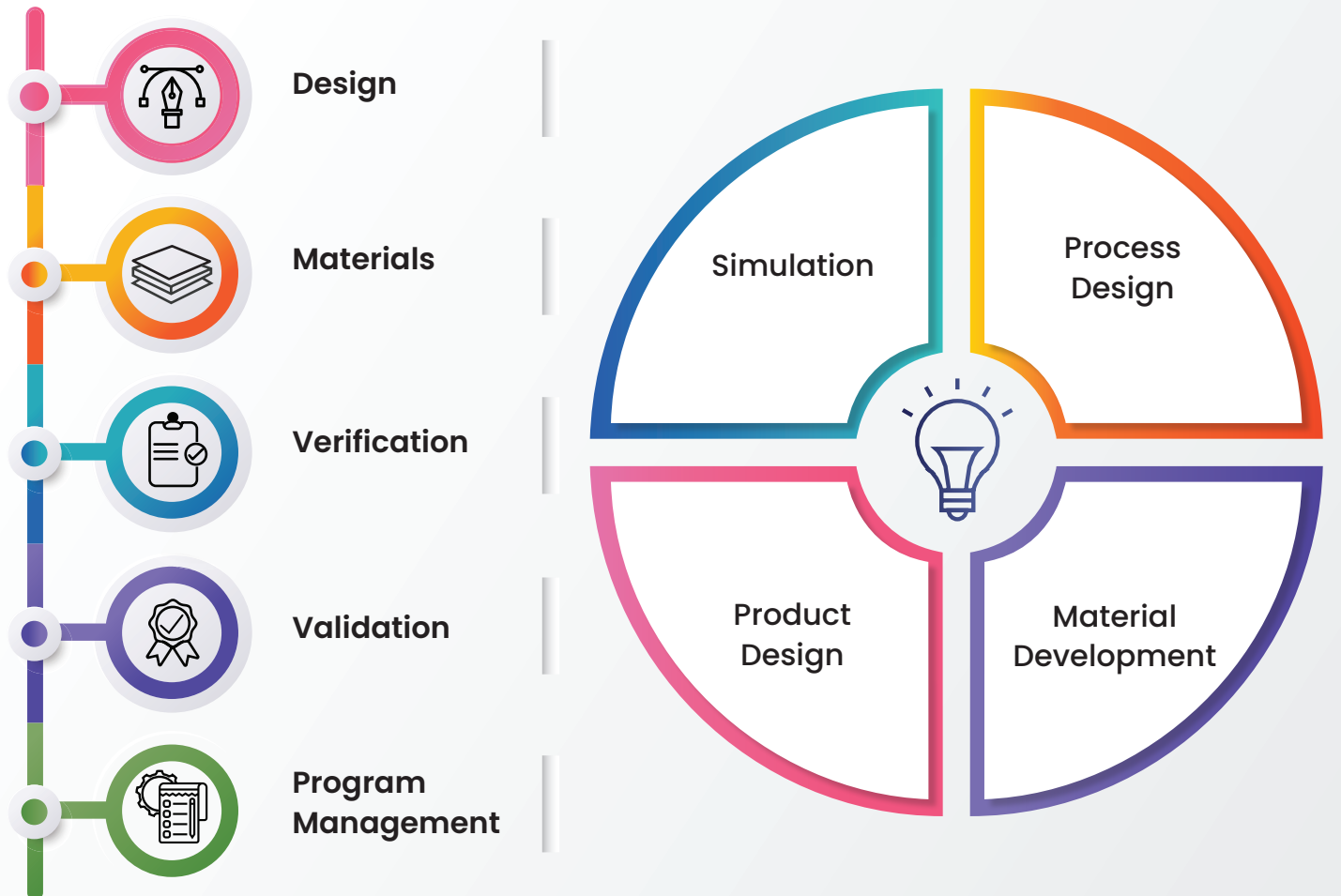
Capitalizing on our robust product knowledge and application expertise, we employ simulation and establish comprehensive test protocols. Every developed product undergoes validation under simulated actual service conditions to ensure inherent design reliability. With 83 custom-built test rigs covering all applications, each bench is programmable and adaptable, allowing the validation of custom test cycles, environmental factors, frictional characteristics, and thermal simulations. Our proficiency extends to conducting engine test bed validation, fleet validation, and system performance tests specifically tailored for belts and tensioners.

Program Management–

Program management serves as the cornerstone for steering projects across all product families. Customized Product Lifecycle Management (PLM) applications have been developed and implemented to ensure the achievement and adherence to program timelines, incorporating systematic stage reviews.

Product Portfolio

Our approach towards Excellence



Customer Stewardship

To understand business requirements, we maintain continuous engagement with suppliers, dealers, distributors, and customers through a variety of activities. These include factory visits, training sessions, conferences, dealer meetings, supplier meets, and regular interactions. We are committed to providing excellent quality and service to our customers. All our finished products from manufacturing lines are tested on test rigs in controlled environments with specific temperatures, loads, and constraints, fully replicating real-world applications. These test rigs also help us in developing new products. Moreover, we adhere to all relevant global standard practices for the usage of hazardous materials and all our products adhere to RoHS and REACH compliance standards (with a CTPAT score of 99% in 2021-22).

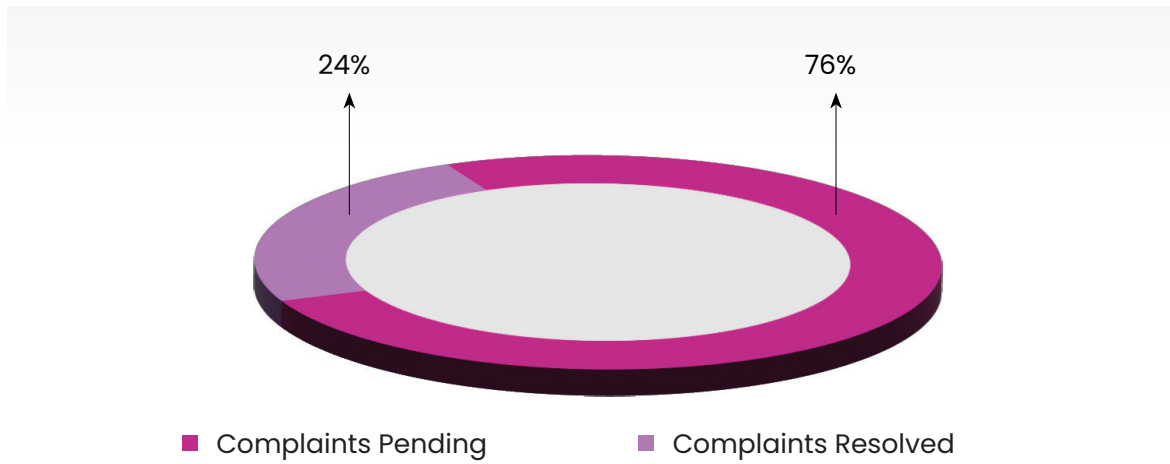
We practice fair and responsible marketing by communicating transparently about the economic, environmental, and social impacts of products or services. It also avoids false claims and does not take advantage of a customer's lack of knowledge or choices.

We are happy to share that in the FY 2023-24, we have achieved 100% compliance with regulations and voluntary codes concerning product information and labelling, marketing communications, including advertising, promotion, and sponsorship. We are also elated to share that we have received zero complaints concerning customer privacy.

We have implemented a strong complaint management system that meticulously tracks and resolves any complaints we receive. In FY 2023-24, we received a total of 681 complaints concerning quality and technical issues, of which 76% (518) of the complaints were resolved effectively. Of the total, 24% of cases are pending resolutions mainly due to reasons such as materials still in transit, pending confirmation on fitment and testing, and a significant number are delayed mainly due to the non-receipt of samples or information from dealers/end customers, which is not captured in the portal, leading to delays in analysis and closure. Our complaint resolution time usually ranges from three days to 1 month depending on the nature of the complaint. We usually respond to complaints immediately maximum within one week.



Customer Stewardship



Couplings & Shaft Fixings



Gear Couplings



Resilient Couplings



Fenaflex Tyre Couplings



H R C Couplings



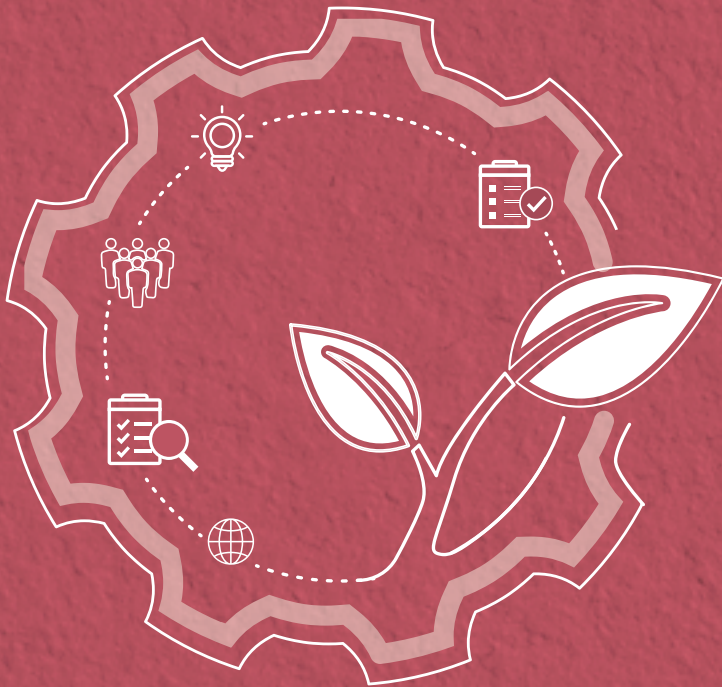
Pin Bush Couplings



Essex Jaw Couplings

06 GRI INDEX

◇ GRI Index



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