> We are the first generation to feel the impact of climate change and the last generation that can do something about it. — UNFCCC

PEEKAY STEEL

ESG REPORT

Aprill 24 - March 25

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CHAIRMAN'S MESSAGE

Dear Valued Stakeholders,

I am pleased to present our 2025 Annual Sustainability Report, reflecting our continued journey towards building a more sustainable and inclusive future. Over the past year, we have advanced our environmental and social initiatives, integrating sustainability deeper into our business strategy through innovation, technology, and collaboration.

Our progress demonstrates that sustainability is not a destination but an evolving commitment. While challenges persist, we view them as opportunities to innovate, adapt, and create shared value for all. We remain steadfast in pursuing ambitious goals that align business growth with environmental preservation and community well-being.

I extend my heartfelt appreciation to our employees, partners, and stakeholders for their dedication and shared vision. Your unwavering support has been instrumental in driving meaningful progress across our sustainability pillars.

As we look ahead, our focus remains on accelerating climate action, fostering circular economy practices, strengthening diversity and inclusion, and deepening stakeholder partnerships. Together, we will continue to create lasting positive impact—ensuring responsible growth for our business, our people, and our planet.

P K AHAMMED
CHAIRMAN

MD'S MESSAGE

K E MOIDU
MANAGING DIRECTOR

Dear Stakeholders,

As we reflect on the past year, I am proud to present our 2025 Annual Sustainability Report, reaffirming Peekay Steel's steadfast commitment to creating long-term value for our environment, society, and economy. Sustainability continues to be an integral part of our business strategy—shaping our decisions, guiding innovation, and driving responsible growth across all our operations.

In 2025, we strengthened our sustainability roadmap by deepening our focus on climate action, resource efficiency, and responsible supply chain practices. We continued to make meaningful progress in areas such as renewable energy adoption, circular economy initiatives, and water stewardship—further embedding sustainability into every aspect of our business.

Our consistent efforts are reflected in measurable outcomes. Peekay Steel's Carbon Disclosure Project (CDP) score improved to 'B' in 2024, a significant rise from 'D' in 2021, demonstrating our growing transparency and proactive approach to climate management. Our Fe550 TMT product has been GreenPro certified by the Confederation of Indian Industry (CII) and EPD verified, underscoring our commitment to sustainable product development and lifecycle responsibility.

We are also honoured to have received several prestigious recognitions, including the Best ESG Innovation Award 2025 by TNSPWA and SRM Institute of Science and Technology, the Best Project on Environmental Protection (South Zone) by the Rotary Club, and the Energy Conservation Award 2024 (Large-Scale Category) from the Government of Kerala. These accolades reflect our continuous drive for excellence in sustainability performance.

As we move forward, our focus will be on accelerating decarbonization, expanding renewable energy use, and deepening community engagement across the Peekay Group. We will continue to innovate and collaborate with stakeholders to achieve our sustainability goals and contribute meaningfully to a greener, more equitable future.

I invite you to explore this report to understand how we are translating our commitments into action. Together, let us continue to drive positive change and build a sustainable legacy for generations to come.

Thank you for your continued trust and partnership.

CEO'S MESSAGE

As we step into a new phase of Peekay's journey, sustainability remains central to how we reflect, recalibrate, and renew our commitments each year. For us, sustainability in manufacturing means responsibly managing resources, energy, and emissions across the entire product lifecycle, while promoting circularity, safeguarding employee and community well-being, and ensuring long-term economic resilience.

Our manufacturing operations are completely different from many other manufacturing sectors. They demand continuous investment in people, skills, and process excellence, while remaining highly sensitive to inflation and energy costs. Therefore, at Peekay, sustainability is not viewed as a compliance requirement. It is our cost control engine, our quality engine, our productivity engine, and our decarbonization engine. When consumption reduces and productivity improves, quality improves, emissions reduce, and cost of production comes down. This is how sustainability directly strengthens our financial performance and long-term competitiveness.

During the last reporting period, this philosophy increasingly translated into operational reality. We expanded our additive manufacturing capabilities with tangible results. For example, in multistage pump casing production, conventional moulding required 16 core boxes and 29 cores. With 3D printed moulds, this was reduced to just 2 cores. This eliminated several intermediate steps such as pattern making, handling, storage, transportation, and repeated crane operations. The result was not only lower electricity consumption, but also higher dimensional accuracy and faster turnaround times for complex geometries. This is a clear example of sustainability directly proportional to quality, productivity, and cost per kilogram.

K E SHANAVAS

CEO & JMD

To further strengthen this transformation, we accelerated digitalisation and data-driven decision-making. Core operational systems now capture real-time performance data through a combination of sensors and digital inputs, covering parameters such as man-hours per tonne, energy intensity, and quality metrics. A major focus of our monthly performance reviews is reducing man-hours per tonne, because improvements here also reduce energy use, material losses, rework and emissions together. Digitalisation has become a precision enabler of sustainability, not merely a reporting tool.

Circularity also remained a key focus area. Waste foundry sand is now converted into building bricks, eliminating landfill disposal. During the reporting period, we added 999 kWp of solar capacity, increasing total renewable capacity to 3.7 MW, with another 1 MW ready for commissioning and 4 MW under implementation. These steps directly support our transition towards lower-carbon operations while improving long-term energy cost stability.

An equally important development during the year was the strengthening of ESG governance. While policies continue to be set by the Board-Level Sustainability Committee and action plans are driven by the Group Management Committee and plant teams, the operating cadence has shifted from quarterly to monthly reviews. Dedicated leadership time is now spent every month reviewing sustainability performance, accelerating decisions, approving investments, and resolving constraints. Sustainability governance at Peekay has evolved from periodic oversight to active operational leadership.

As part of Peekay 2.0, capital allocation itself is now aligned with sustainability outcomes. Our most significant upcoming investment is the transformation of the Hindupur facility from a post-pouring finishing unit into a fully integrated, state-of-the-art manufacturing facility. More than INR 100 crores has been committed to this low-carbon transformation. The new infrastructure is designed to minimize virgin alloy usage through advanced secondary metallurgy, enable sand reuse and recycling, adopt low-emission automated heat treatment systems, integrate renewable energy, and deliver higher productivity with lower resource intensity. In parallel, our Calicut and Coimbatore plants will continue focused programs on energy reduction, new moulding technologies, and process engineering to reduce scrap, rework, and non-value-added activities.

As we move forward, we are shifting from incremental improvement to systemic design. We will continue scaling technologies and practices that deliver quality, productivity, energy efficiency, circularity, carbon reduction, and cost competitiveness in the same direction.

At the heart of this journey are our people. It is their skills, discipline, and commitment that turn strategy into results. Together, with the continued trust and partnership of our stakeholders, we are building a company that is resilient, future-ready, and aligned with the needs of the next generation.

THOUFEEQ MOIDU
EXECUTIVE DIRECTOR

CONVERSATION WITH EXECUTIVE DIRECTOR

Peekay Steel continues to pioneer circular economy practices and people-driven sustainability across its operations. In this conversation, Mr. Thoufeeq Ahamed Moidu, Executive Director, shares insights on how circular innovation, responsible sourcing, and collective action are helping Peekay Steel advance toward its ESG and carbon neutrality goals.

1. Peekay Steel has embedded circularity as a core sustainability principle. How is the company rethinking its manufacturing processes to promote circular economy practices and reduce resource dependency?

A: Circularity has become one of the defining pillars of Peekay Steel's sustainability strategy. A major milestone in this journey is our foundry waste-to-brick initiative, which converts silica sand waste — once sent to landfills — into a valuable construction material. In collaboration with CSIR–NIIST, we developed an innovative process to repurpose foundry waste into eco-friendly construction bricks. The initiative culminated with the inauguration of a dedicated brick manufacturing facility in Coimbatore in December 2024, which began commercial operations in February 2025. Since its launch, the facility has converted over 520 tons of waste silica sand into more than 100,000 eco-friendly bricks, created employment for six local women, and avoided approximately 300 tons of CO_2 equivalent emissions annually. This circular innovation has been recognized with the Best ESG Innovation Award 2025 by the TNSPWA and SRM Institute of Science and Technology, and the Best Project on Environmental Protection (South Zone) by the Rotary Club, underscoring the project's environmental and social impact. We have also implemented a sand circularity program within our foundry operations, where recycled waste sand is blended with fresh sand, significantly reducing both the generation of new waste and the consumption of virgin sand. This approach ensures resource conservation while aligning with our long-term decarbonization roadmap.

2. What role do employees and the supply chain play in driving Peekay Steel's sustainability and carbon neutrality goals?

A: Our employees and suppliers are both critical to our sustainability progress. Internally, our teams have developed innovative systems to segregate foundry waste metals grade-wise for reuse and to recover metal chips from machining operations, minimizing waste without compromising product quality or delivery timelines.
Externally, our supply chain has undergone a significant transformation to support our carbon neutrality targets. We have identified secondary and recycled sources for high emission-intensive metals and alloys, reducing both material-related emissions and Scope 3 upstream transportation and distribution impacts.
For instance, tungsten, which was previously imported from China from primary sources, is now procured from certified secondary smelters that recover tungsten from recycled filament lights. This not only reduces the embedded carbon footprint but also ensures compliance with global 3TG (Tin, Tungsten, Tantalum, and Gold) responsible sourcing requirements. Together, these actions — from employee innovation to responsible sourcing — reinforce Peekay Steel's commitment to sustainable manufacturing and a low-carbon value chain.

3. Circularity often requires collaboration across departments and with external partners. How is Peekay Steel encouraging cross-functional and value-chain collaboration to achieve its ESG targets?

A: Collaboration is integral to our ESG success. Our partnership with CSIR–NIIST has demonstrated how combining industrial expertise with scientific innovation can deliver scalable sustainability solutions.
Building on that experience, we are now collaborating with NIT Calicut on two breakthrough initiatives:

- Capturing CO_2 emissions from heat treatment furnaces and purifying them into high-purity CO_2 gas for reuse in welding and testing applications, thus closing the carbon loop.
- Recovering metallic dust collected from induction furnace fume extraction systems and converting it into red oxide, which is used as a rust-preventive coating for castings before dispatch to customers.

These projects exemplify our approach to turning by-products into value-added materials, further advancing our circular manufacturing agenda.
Internally, cross-functional ESG committees bring together teams from production, quality, CSR, and procurement to identify opportunities for circular material recovery and emissions reduction. This ensures sustainability is embedded into everyday decision-making across the value chain.

4. As Peekay Steel advances toward its net-zero vision, how are employees being empowered to contribute to energy efficiency, waste reduction, and innovation?

A: Employee empowerment is at the core of our ESG roadmap. We encourage every team to identify and implement opportunities for reducing energy use, optimizing materials, and minimizing waste.
Many of our most successful initiatives — such as recycled sand blending, metal recovery, and furnace energy optimization — were conceived by our internal teams. These actions have improved performance, reduced emissions, and cultivated a culture of innovation and accountability at every level.

5. Looking ahead, how will circular innovation and people-driven initiatives continue to shape Peekay Steel's ESG journey?

A: The success of our brick manufacturing project illustrates how circularity and inclusion can coexist — transforming waste into value, creating livelihoods, and reducing emissions. Going forward, we aim to scale circular recovery programs, expand responsible sourcing, and deepen partnerships with research institutions and communities. Our focus will remain on innovation that combines environmental impact reduction with social value creation — keeping us firmly on track toward our net-zero by 2045 vision.

ABOUT US

WHO WE ARE

Peekay Steel Castings(P) Ltd is the flag ship company of the Peekay group. The Peekay Group was established in the year 1942 by Haji P.K. Moidu, a legend of his own time for his uncommon vision. The strong foundation laid down by his extraordinary business acumen and uncompromising integrity has given the group a strong set of values and fundamentals. After the blazing success of the past 80 years, the group has held those values closer than ever and has focused more on its business objectives, surpassing conventional paradigms and setting new benchmarks.

Today, under the leadership of Mr.P.K.Ahammed, the group has become one of the most respected Indian family business houses with an annual turnover exceeding 200 million US dollars. The group's strong vision has given it the right direction and an ever-increasing urge to grow. The Peekay group plays a vital role in the industrial development of the state and its activities include steel, flour mills, real estate, construction, plantations, education, healthcare, charitable institutions, etc. Peekay Steel Castings Pvt. Ltd. is a fast-growing, technologically advanced company that manufactures and supplies steel castings to all major global OEMs in the Oil, Gas, Power, Transportation, Earth-moving, and Engineering sectors.

We are capable of producing castings up to an 15-ton single piece cast weight. We produce fully machined, ready-to-assembly components in different sizes and weights according to customer requirements. We currently serve many countries, including Germany, France, the United States, the United Kingdom, Austria, Italy, Belgium, Netherlands, Czech Republic, Singapore, Japan, South Korea, and Malaysia. We have diversified our market share into different industrial segments such as Oil and Gas, Earth Moving Equipment, Mining Equipment, Hydro Power, Gas/Steam Power Boilers/Turbines, Locomotives, and other engineering sectors.

Our foundries in Calicut and Coimbatore can make 20,000+MT of steel castings each year. At different stages, they use cutting-edge technology like the AOD/Metal Refining Converter, Automatic Moulding Loop Line, Continuous Casting Machine, Leco Gas Analyzer, and others to make sure that the steel castings are of the highest quality

We are an approved supplier of castings for nuclear power plants. We have the distinction of being the only foundry in India holding all major global certifications and accolades under one umbrella. Our foundries are committed to our quality policy and objectives. We consistently and diligently manufacture products that exceedthe expectations of our customers, to remain a leader in the casting market by excellence in total quality performance. The foundries have formulated a quality systems and assurance program to bring about improvements in all areas of operation, including.

1. Continuous effort to improve product quality
2. Training and motivation of employees
3. improve professionalism and competence
4. Reduce rejections, rework, and wastage and conserve energy

Considering currentmarket conditions and the futureoutlook for steelcasting demand, we are aggressively going ahead with its futuristic plan to be a One- Stop Supplier for all global OEMS with ready-to-assemble casting, forging, and rolling products. We have stepped into smart manufacturing by embracing Industry 4.0 principles.Automation and digitization in manufacturing and quality control have enabledus to increase productivity, minimize energy losses, go paperless and ramp up our green credentials. In fact, technology is always getting better, which helps us to make big improvements and give our customers more value.

In FY 2024–25, we produced 18500 tons of steel castings. Our castings are made with a system of sand moulds by a staff of more than 1500 people who put their decades of experience to work for our customers every day.
We deliver a unique combination of stability and innovation, knowledge and collaboration, and the understanding that our clients and workers depend on us to uphold higher standards. We are very proud of our technical skills and process control. Because we have a lot of experience and use technology consistently throughout our value chain, we are able to make unique castings for our customers.

We have been on a road toward sustainability for almost a decade. Not only are we committed to being the lowest-cost producer, but also to doing so in the most environmentally friendly manner. To reach our goal, we've built a comprehensive sustainability framework, made sure our processes meet global standards, hired top-of-the- line technology, and are always looking for ways to get better.

This year, we focused on highlighting our responsible operations towards the environment, our communities, our employees, and our business partners—a report of our efforts toward a sustainable future. Our company is working on incorporating a broader ESG perspective into its core business processes.

BECOME THE ONE-STOP SOLUTION PROVIDER

The company believes in creating a unique way of life that touches the lives of people.

PURPOSE

Peekay Steel aim to develop as a self-sustainable organization which creates value to all its stakeholders including customers, suppliers, shareholders and the society at a large. The company believes in creating a unique way of life touching the lives of people

VISION

Is fuelled by a grand vision to be an engineering and manufacturing conglomerate that will become the one-stop solution provider to its customers in terms of machined castings, forgings, additive manufacturing, fabrication, assembly and testing

STRATEGY

To enhance productivity from the current baseline on a continuous basis, Peekay Steel invests to upgrade technologies and meet customer expectations. The company has embraced modern manufacturing concepts like Industry 4.0, IoT, TPM, and Lean Manufacturing. In other words, Peekay has a decidedly future-oriented strategy

VALUES

Peekay Steel aim to develop as a self-sustainable organization which creates value to all its stakeholders including customers, suppliers, shareholders and the society at a large. The company believes in creating a unique way of life touching the lives of people

Total sales
INR 90,00,000,000 +

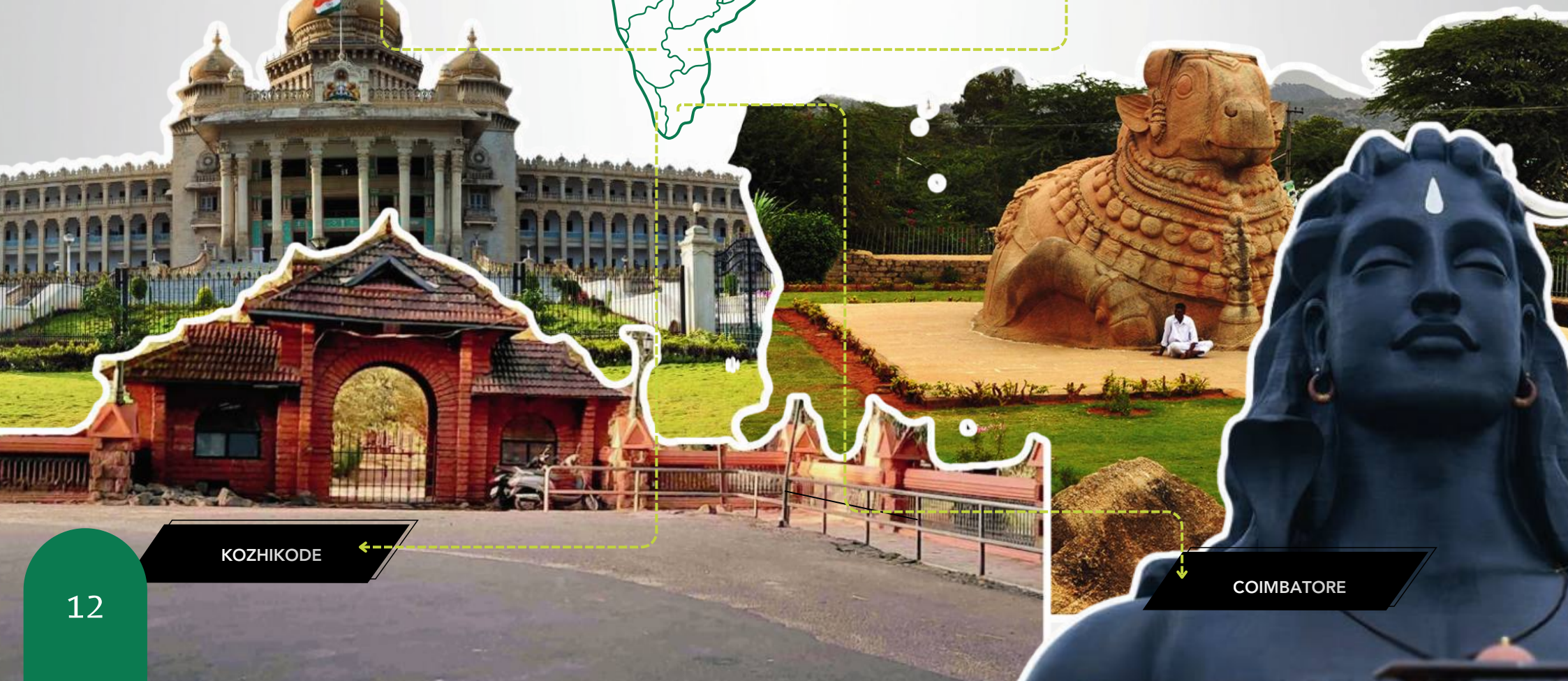
Total production
18,500 + MT

Total Number of Plants
4

Number of Employees
1500 +

International Market Research Company Technavio rated Peekay Steel Castings Private Limited as one of the 6 prime foundries in the world. Also, rated as one among 5 prime foundries in Asia Pacific, 4 prime suppliers to Europe, Top 2 foundries in Asia pacific with highest number of quality certifications and top 10 foundries in the world catering to the oil and gas sector.

LOCATIONS



WHERE EVERY MILESTONE TELLS A STORY OF PROGRESS

Late Haji P.K. Moidu started a trading company in Calicut, marking the establishment of the Peekay Group.

1942

Ahammed Roller Flour Mills (P) Ltd was established in Kozhikode.

It was the first roller flour mill to be established in Kerala after the License Raj Regime.

1982

Pondy Roller Flour Mills (P) was established in Mahe, in the Union Territory of Pondicherry

1986

Taking advantage of the industrial policy announcement made in 1991 by the Kerala Government, Peekay Steel Castings (P) Ltd was established for the manufacture of steel billets.

1991

Peekay Rolling Mills Pvt. Ltd. commenced commercial production of steel bars and rods. It was the first rolling mill in Kerala to produce 8mm CTD bars.

1995

Peekay Group diversified the production of steel castings for export.

1999

1971

1984

1988

1992

1996

2000

Mr. P.K. Ahammed, the present Chairman of Peekay Group, assumed the stewardship of the group when his father, Haji P.K. Moidu, expired.Mr. P.K. Ahammed became a Director of Janatha Steel Mills Pvt. Ltd.

Pondy Roller Flour Mills (P) was established in Mahe, in the Union Territory of Pondicherry

Taking advantage of the industrial policy announcement made in 1991 by the Kerala Government, Peekay Steel Castings (P) Ltd was established for the manufacture of steel billets.

Peekay Steel Castings started commercial production.

Pondy Roller Flour Mills (P) was established in Mahe, in the Union Territory of Pondicherry

Peekay Steel Castings (P) Ltd, Coimbatore division started

2004

Peekay Rolling Mills (P) Ltd installed a continuous casting machine, as part of technology upgradation, to produce M.S. billets.

2010

Peekay Steel Castings (P) Ltd., Calicut Plant Machine Shop upgraded with Imported CNC Machines

2013

Meitra Hospital was soft launched in December 2016 by the Chairman, marking Peekay's entry into the healthcare sector. (18/06/2016) (Joint Venture of KEF Group, Peekay Group, and Doctor's Group).

2016

The first Cameron 8"Class 300 Valve was assembled at our Hindupur Plant in Ananthapur District, Andhra Pradesh (marking our entry into the Valve Assembly Business).

2021

The expansion of Hindpur plant from machine shop and assembly unit to Foundry has started. Fettling, RT, Heat treatment etc are started. First rooftop solar power park of Peekay steel at Kozhikode plant of 348kWp capacity commissioned.

2024

2006

2011

2015

2017

2022

Peekay Rolling Mills Pvt. Ltd. commenced commercial production of steel bars and rods. It was the first rolling mill in Kerala to produce 8mm CTD bars.

Argon Oxygen Decarbonization (AOD) plant started

Inauguration Peekay Steel Castings (P) Ltd., Pattern Warehouse at Areecode

Peekay Steel Castings was further modernized by installing a Thermal Sand Reclamation Plant imported from the U.K., thus ensuring almost 100% sand reclamation at a lower cost with high safety and lower emissions, ensuring clean air leaving the furnace.

Peekay Steel Castings (P) Ltd., established its third manufacturing facility (Machine Shop Facility) at Hindupur, Anantapur District, Andhra Pradesh.

Inauguration of Peekay Steel Castings Additive Manufacturing and Engineering Centre @ Bangalore International Airport

OUR PLANTS

We employ a workforce of more than 1,800 people. Our plants employ locally and deliver globally, serving a wide range of market sectors worldwide. We operate foundries in Calicut and Coimbatore and are rated among the world's top five foundries catering to the oil & gas sector. The highly ambitious Hindupur project holds significant potential for achieving advanced production capabilities. The upgradation of the Hindupur facility from a machine shop and assembly unit to a full-scale foundry, machine shop, and assembly unit commenced in FY 2022-23. It is instrumental in realizing Peekay's mission of expansion, modernization, and diversification. Our Calicut foundry has a 1,80,0000-litre water quenching facility and a covered pattern warehouse with a storage area of 250,000 sq.ft for patterns and tools.

"AT OUR PLANTS, SUSTAINABILITY IS NOT A PROCESS—
IT'S A PROMISE WE REINFORCE EVERY DAY

PLANT 1
CALICUT

- Location: Calicut, Kerala Employees: 800
- Sand Castings
- Production Range: 1,000 to 15,000 kg/Piece
- Casting Capacity: 1,500 MT per month
- Markets served: Oil & Gas, power, mining, chemicals, transportation, and other engineering sectors
- Shell Moulding Castings
- Production Range: 3 to 40 kg
- Casting Capacity: 80 MT per month

The foundry produces high-integrity steel castings to various national and international standards and specifications. The product range also includes nickel-based alloys, duplex and super duplex stainless steel alloys for industries such as oil & gas, power generation, and mining. The foundry is housed within a built-up area of 32,500 square metres on 16 acres of land at Kozhikode. We have also established another works (Peekay Steel Castings (P) Ltd – Works II) at Kallai, Kozhikode, which includes post-pouring activities such as cutting, heat treatment, NDT, welding, fettling, and final inspection. Calicut Works II operates under the same management system and for the same product families as Calicut Works.

PLANT 2
COIMBATORE

- Location: Coimbatore, Tamil Nadu Employees: 500
- Sand Castings
- Production Range: 40 to 1,000 kg/Piece
- Casting Capacity: 650 MT per month
- Markets served: Oil & Gas, power, mining, chemicals, transportation, and other engineering sectors.

The Coimbatore facility was established in 2003 as the second unit of Peekay Steel Castings. It manufactures castings ranging from 40 kg to 1,000 kg per piece. The plant features a full-scale foundry and a dedicated machine shop that produces complex graded castings and geometries for the oil & gas and transportation sectors. The plant has installed a brick manufacturing facility to convert waste moulding sand into construction bricks, eliminating landfilling of waste sand. A 400 kWp rooftop solar power park is being installed.

PLANT 3
BENGALURU

- Location: Bangalore, Karnataka Employees: 15
- India's Largest Additive Manufacturing and Engineering Centre
- Machine Name: VX4000 Manufacturer: Voxeljet, Germany
- Technology: Binder Jetting
- Print Head: VPM-XVI, 200 dpi Size: 4,000 mm x 2,000 mm
- Build Volume: 8000 L (12 MT Sand)
- Job box Size: 4,000 x 2,000 x 1,000 mm

This facility enables Peekay to manufacture any intricate design with ease and efficiency using 3D sand printing. It also underscores Peekay's position as a global manufacturer of industrial components for OEMs worldwide. Peekay employs modern technologies and uses state-of-the-art equipment across all plants to improve productivity and quality. Industry 4.0 principles have been implemented in the Hindupur and Bengaluru plants.

The Bengaluru 3D printing facility enables Peekay to collaborate and co-engineer with customers in the early stages of design, develop intricate parts, and deliver fast-turned products for the aftermarket/MRO (Maintenance, Repair, and Overhaul) business. The new technology developments at Peekay Steel demonstrate our commitment to superior quality, cost-effectiveness, productivity, and customer satisfaction.

PLANT 4
HINDUPUR

- Location: Hindupur, Andhra Pradesh Employees: 400
- Heat Treatment, Fettling, RT, Finish Machining, Painting, Coating, Sub-Assembly in contract manufacturing route, and Fabrication
- Machining Range: 1,000 to 15,000 kg/Piece
- Markets served: Oil & Gas, power, mining, chemicals, transportation, and other engineering sectors.

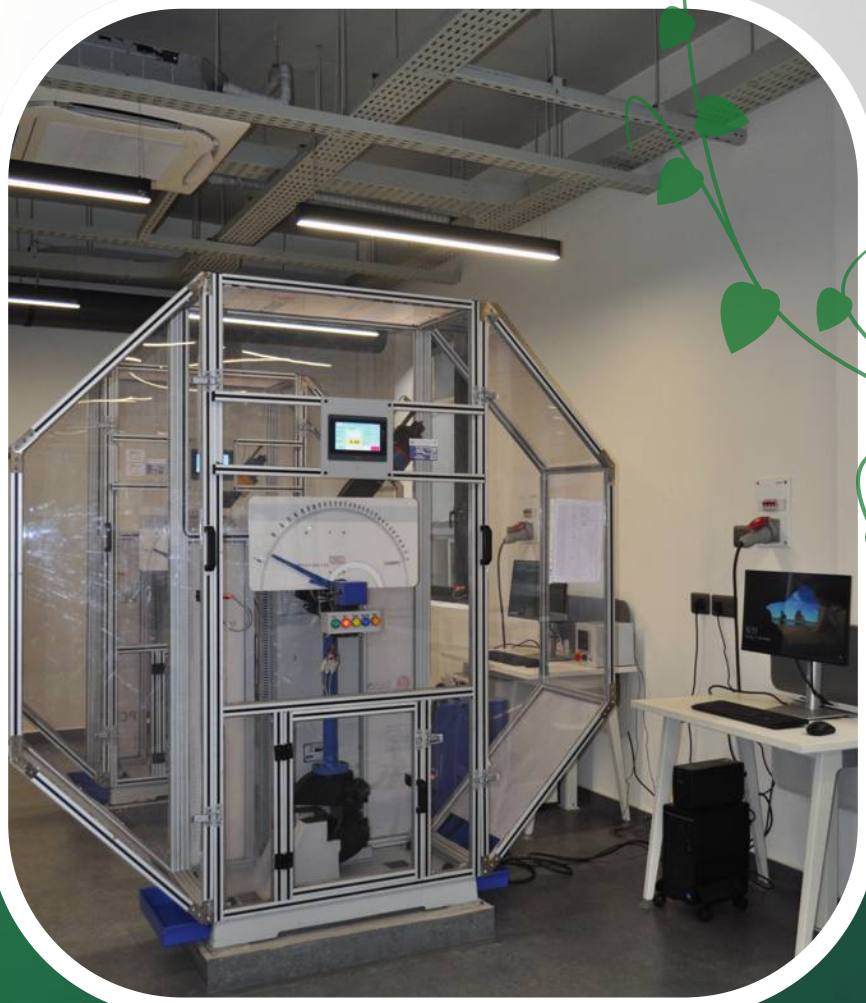
We have also established our third unit (Peekay Steel Castings (P) Ltd – Unit 3) at Hindupur, Andhra Pradesh, as a part of a greenfield expansion aligned with the vision of the Peekay Group. The first phase includes a fully equipped state-of-the-art machine shop, including hydro testing, catering to stringent customer requirements. The construction of heat treatment, fettling, and NDT shops has been completed during the reporting period and is now fully operational. Further phases of expansion are planned, including additional machining facilities, steel castings, and forgings manufacturing as an integrated plant. A 990 kWp solar rooftop power park is installed at the Hindupur plant.

PROCESS AND TECHNOLOGY

Our foundries utilize simulation software like Magma soft, Pro-Cast to simulate the mould filling and solidification processes in order to optimize the product quality and cost. Our engineering team has the experience and tools to support an integrated product development approach, from design- to-manufacturing to final component. This gives us great advantage in reducing lead times, simplifying production of highly engineered products and exploring new design possibilities. Our process begins with a blend of raw materials composed of a customised mix of metals, selected ferro- alloys, and recycled scrap steel. The mixture varies based upon the needs of our customers and the type of casting that is produced. The manufacturing facility includes induction melting furnaces and AOD (Argon Oxygen Decarburization) metal refining for the production of high quality steel castings, including special grades like Martensitic steel, Duplex and Super Duplex stainless steel castings, and Nickel based alloys. The material range includes a wide variety of carbon steels, alloy steels, stainless steels and Inconel grades. The melting and pouring temperatures vary from 1450 °C to 1620 °C.

The moulding process carried out is a no-bake process (Alkaline Phenolic No Bake/Alphaset) equipped with a continuous sand mixing and reclamation tower. For mould making, the raw materials used are silica sand and chromite sand. About 80 percent of the reclaimed sand is recycled for reuse by mixing it with fresh sand. The final waste sand is converted into constriction bricks to avoid land filling. The castings poured in sand moulds are taken out at specific temperatures decided for each casting. The extra parts like runners and risers are removed by using gas cutting either soon after knockout or after heat treatment, based on the material and specifications. The castings are subjected to heat treatment in LPG gas fired or electric furnaces. The temperature and time of heat treatment vary based on the material and casting design. Furthermore, the castings will be ground to finish for NDT tests to find the defects, and the defects will be excavated by gouging and repaired by arc welding processes.

When it comes to quality testing of castings, we strictly adhere to global standards. The foundries have acquired the latest automated testing equipment like the Leco Gas Analyzer, spectrometers, metallurgical microscopes, and mechanical testing equipment. The labs of Peekay steel are NABL accredited. Our engineers and technicians routinely perform testing for radio activity, residual magnetism, and corrosion. After we integrated customer requirements early-on in our foundry engineering and quality management system, our ISO 9712 level II and III inspectors will cover all levels of surface inspection (visual, magnetoscopic and liquid penetrant testing) as well as volume inspection (ultrasonic and radiographic testing). Fully Equipped machine shops at Kozhikode and Hindupur are capable of meeting various requirements of proof & final machining of castings. At present, our factories at Hindupur, Calicut and Coimbatore have the capacity to machine 500 MT, 300 MT and 300 MT of products per month respectively.



AUTO IMPACT MACHINE

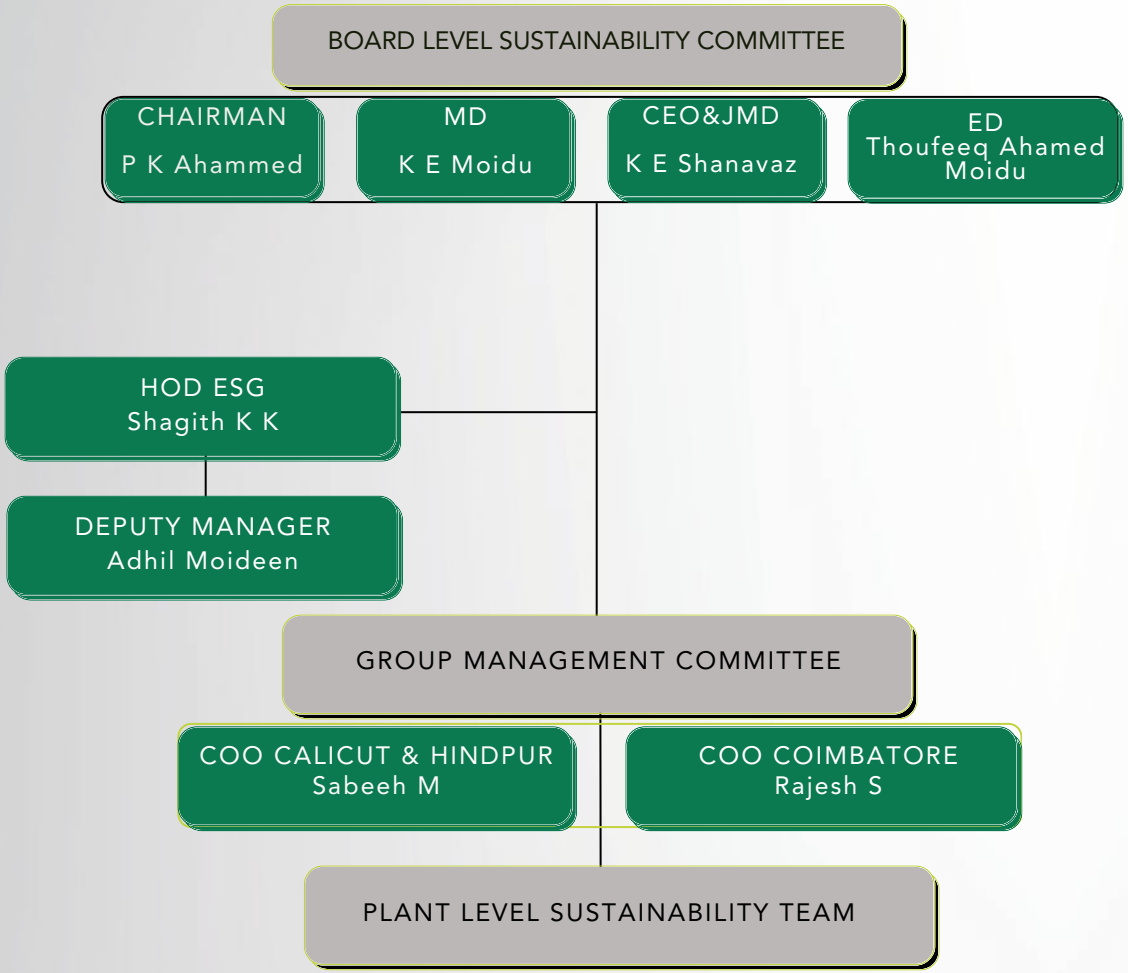
We are equipped with various CNC machines and other sophisticated equipment like

:

- VERTICAL TURNING CENTRE WITH LIVE SPINDLE
- HORIZONTAL BORING MACHINE
- VERTICAL TURNING LATHE
- TWIN PALLET HORIZONTAL BORING MACHINE
- TREVISAN DS 600 AND DS 450
- 3-DIMENSIONAL INSPECTION CAPABILITY
- COORDINATE MEASURING MACHINE (CMM)
- VERTICAL MACHINING CENTER (VMC)
- DOUBLE COLUMN VERTICAL MACHINING CENTER
- HORIZONTAL MACHINING CENTER (HMC)

CNC machine

GOVERNANCE STRUCTURE



Peekay's governance framework ensures accountability, fairness, and transparency in its relationship with stakeholders. The sustainability programme is overseen by a Board-level Sustainability Committee. The policies continue to be defined at the Board-level Committee, while the Group Management Committee prepares the action plans, with the ESG team functioning as the bridge between these two levels. Business unit-level Sustainability Committees are established at each location to manage the programme locally, and plant level teams implement the approved plans. These layers now meet monthly with a minimum of twelve hours of platform time, and two Board-level Committee members attend each session. These monthly reviews operate as MRM sessions and follow the discipline of Outcome → Action → Closure → Review with zero open-ended items. This governance model has improved decision speed, accelerated approvals, accelerated resource allocation, and has made sustainability execution faster and outcome-driven. The Sustainability Committee continues to report consistently to the Board of Directors of the Peekay Group, and sustainability strategy and reports are submitted during business review meetings. The ESG team assesses and identifies risks and opportunities and develops strategies accordingly. The CEO of the Company works with the Head of the ESG Department to develop the group-level action plan and lead the sustainability drive.

OUR COMMITMENT TO SUSTAINABILITY

Sustainability is one of the visions of the Peekay group. We are working as one of the key recyclers of a major solid waste stream that is steel scrap. The foundry recycles various forms of steel scrap and manufactures new value- added engineering goods. It reduces the environmental impact of making new castings as it eliminates the processes required for manufacturing fresh metals and alloys. The foundry operation requires large quantities of energy, especially for the melting of metals, alloys, and scrap. Water is another major requirement. The dust generated during foundry operations can impact the atmosphere's air quality. Some of the operations are noisy, and the quantity of waste generated in the moulding process will be very high.

But, Peekay Steel Casting's policy is to address these impacts by incorporating globally accepted best practices into our process, innovation, and optimized consumption of resources and energy as explained in the coming sections of the report. To manage such efforts, Peekay has formed a board-level sustainability committee in 2021. The Sustainability Committee has a well-defined governance structure and it manages the sustainability programme to identify risks and opportunities for the business, identify key stakeholders, and develop objectives and goals to achieve the sustainability vision.

STAKEHOLDER ENGAGEMENT

The Sustainability Committee followed a systematic process to enlist and prioritize stakeholders, and evaluate the significance of aspects against criteria that supported the business mission and objectives. Evaluation Criteria for mapping and assessing stakeholder prioritization were:

- **INFLUENCE ON THE DECISION MAKING CREDIBILITY**
- **WILLINGNESS TO CONTRIBUTE**
- **PROXIMITY AND DURATION OF RELATIONSHIPS CONTRIBUTION VALUE**

Our stakeholder evaluation included benchmarking of key customers and competitors to better understand issues of importance and industry norms. Our participation in industry trade groups such as the Institute of Indian Foundrymen (IIF), Confederation of Indian Industries (CII), National Safety Council of India (NSCI), The Federation of Indian Chambers of Commerce & Industry (FICCI), Engineering Exports Promotion Council (EEPC), Bureau of Energy Efficiency (BEE), Energy Management Centre (EMC) and Quality Circle Forum of India (QCFI) allows us to promote the discussion and advancement of environmental topics including energy use and carbon-related emissions. For example, Peekay Steel Castings presented its vision on sustainable manufacturing and carbon neutrality in a global webinar organized by Emerson. We are also involved in the efforts of our customers like Siemens Energy and Baker Hughes, to explore ideas on how foundries can operate in a more sustainable manner in the future. Peekay steel actively participating in events organized by CII, IIF, EEPC, EMC etc on climate change related issues. Investment bazar for energy efficiency by BEE, FICCI and EMC in September 2024, Sensitization Program on Energy conservation by EMC in October 2024, SmartShift 2025 by Core Cognitics in July 2025 etc are some of the events participated by Peekay steel in the recent past.

We recognize additional opportunities in stakeholder engagement and will continue our efforts to better understand and incorporate our stakeholders' views into our sustainability initiatives and reporting. The Sustainability Committee identified opportunities with employees and their families, customers, and our suppliers as primary areas of focus. The Sustainability Committee identified opportunities with employees and their families, customers, and our suppliers as primary areas of focus, and we continue our engagement strategies to solicit views from these stakeholder groups, as shown in the following table.

Using our materiality assessment and our stakeholder mapping results, our committee established comprehensive performance improvement objectives and targets for our company. Our management approach and performance indicators for 2024-25 are outlined in the following sections of this report.

<table>
<tr><th></th><th>Objectives</th><th>Targets</th></tr>
<tr><td>Indirect
Economic Impacts</td><td>To make a positive impact on the
standard of living of the place which we operate.</td><td>• We are already providing support to educational opportunities to local citizens, including direct funding to schools. students from local industrial training institute are being offered internships. Further the company is thinking to offer scholarships and employment opportunities for the students.
• Provide competitive compensation, which supports the employees' families and in turn other community businesses (as compared to available external compensation reports).</td></tr>
<tr><td>Materials</td><td>Develop and promote the reduction in the use of
(formerly) non-recyclable
raw materials and reducing use of fuels with
higher GHG emissions.</td><td>• To attain good quality sand by thermal reclamation system and improve the reclamation efficiency of sand system.Also to determine the reduction opportunities for new reclamation system technologies.
• Replacing natural sand with artificial sand to improve re
• Optimizing the ferro-alloy consumption by better scrap usage and chemistry optimization by keeping the requirements in view.
• Technologies to replace land filling or disposal of waste. Currently waste Moulding sand is converted to construction brick. Research is going on to convert dust from bag filters of induction furnace fume extraction system to casting rust preventive coating.</td></tr>
<tr><td>Energy</td><td>Reduce the
energy consumption</td><td><table><tr><th>Year</th><th>Specific (MWh/MT)</th></tr><tr><td>FY22</td><td>2.35</td></tr><tr><td>FY23</td><td>2.41</td></tr><tr><td>FY24</td><td>2.49</td></tr><tr><td>FY25</td><td>2.41</td></tr></table>• Improve energy intensity figure, MWh (LHV) per MT of crude steel production to 2 MWh/MT by 2030.</td></tr>
</table>

Emissions	Promote alternative processes for pollution control, material optimization and low emission fuels for pollution control.	• Reducing intensity figure of scope 1 and scope 2 emissions by 40% by FY 2030-31 with respect to 2019 baseline. It was 3 in 2019. The target is to reduce to 1.8. In FY 2024-25, it is 2.04.
Effluents and Waste	Reduce the waste from sand, slag and other consumables.	• Increasing the moulding sand saving by using thermal reclamation plant from 150 tons per month to 175 tons per month. • Eliminate landfilling of waste sand generated • by efficient thermal and mechanical reclamation and by converting the waste sand to construction bricks
Water	Facilitate reduction in water use and waste water disposal.	• 100% wastewater is being recycled. Reuse of • recycled water to be increased to 75%. It is at 51% as on FY2024-25.
Environmental Compliance	Identify and maintain compliance to legal and other requirements which the organization subscribes and that are applicable to the environmental aspects of its activities, products, and services.	• Maintain the organizational commitment to ongoing compliance with no receipt of violations, fines, or sanctions.
Supplier Environmental Assessment	Educate the major suppliers on environmental compliance and promote environmental sustainability throughout the supply chain.	• Communicating to the significant suppliers to educate them and encouraging them to make environmental policies.
Training and Education	Create and support career development opportunities for employees' personal growth.	• Achieve and maintain leadership training to 60 percent of the employees in leadership positions by 2025. Maintains a 50 percent or greater total promotion rate for management level positions from internal employees.

DATA DRIVEN DECISION MAKING TO REDUCE CARBON FOOTPRINT

SABEEH M, CHIEF OPERATING OFFICER

In the CEO's message of this report, the direction given to the organisation is very clear – sustainability is not a reporting layer added after business happens. Sustainability is how we design, run, measure and scale the business itself for the next several decades. To convert this philosophy into operational reality, we need decisions to shift away from judgement and assumption — and move towards a single verified, digital, measurable truth.

> *AT PEEKAY STEEL CASTINGS, OUR PATHWAY TO EMISSIONS REDUCTION, OPERATIONAL EXCELLENCE AND PROFITABILITY IS NOW DATA DRIVEN.*

Over the last two years, we have completely digitalised the flow of operational data around production. Every production order now carries digitally captured material consumption, consumables usage, energy consumed, labour consumed, cycle time, yield, repair and rework. To ensure that this data is accurate, not manual and not subjective, we have deployed IoT devices and Industry 4.0 tools across melting, moulding, fettling, heat treatment and machining

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Over the last two years, we have completely digitalised the flow of operational data around production. Every production order now carries digitally captured material consumption, consumables usage, energy consumed, labour consumed, cycle time, yield, repair and rework. To ensure that this data is accurate, not manual and not subjective, we have deployed IoT devices and Industry 4.0 tools across melting, moulding, fettling, heat treatment and machining to automate data capture. These devices eliminate error, eliminate single person dependency, increase resolution of data, and enable real time reconciliation of inputs vs outputs. Every kg of metal, every kWh of power, every minute of labour is digitally accounted. This allows us to base strategic action only on validated measurable reality – not on perception or approximation.

This digitalised data is then integrated with energy intelligence system and IoT based analytics dashboards. Using AI enabled analytics, real time visibility on energy intensity is available for every process area. The system enables proactive conservation, real-time energy savings and predictive maintenance. Instead of analysing energy after consumption has occurred, we now influence energy at the point of consumption. This directly contributes to carbon reduction because energy is the highest emission driver in a foundry.

Digital measurability also exposes where emissions originate inside operations. Poor yield, excessive repair volume, repeated rework loops, inefficient gating, excessive fettling consumables and low productivity stations all become visible as carbon inefficiencies. Without measurement, these root causes stay hidden and only the cost symptom is visible. With measurement, the cause becomes solvable. This feedback loop enables us to eliminate recurring waste and prevent repetition of the same emissions. Yield is now a climate lever. Using Magmasoft, Pro-Cast and simulation-led design, we optimize feeding, directional solidification, risers and gating. Higher yield reduces the total metal to be melted, directly reducing GJ consumption and greenhouse gas emissions. Better quality reduces rework cycles and reduces grinding, fettling, shot blasting and repetitive resource usage. Historically, these quality improvements were seen only as metallurgical benefits. Today, through digital traceability, we can see the direct carbon benefit of every yield improvement.Digital measurement also enables more intelligent strategic decision making. Instead of using historical performance "as reference", we now benchmark every production order against profitability thresholds. When profitability matches benchmark — metal → energy → labour → time ratios are aligned correctly. Poor profitability is almost always linked to unnecessary material waste, unnecessary rework or unnecessary time loss — all of which contain embodied carbon. Therefore, improving profitability and reducing emissions are now the same process — not two separate agendas.

In FY24 and FY25, this approach revealed specific areas where improvement action was needed — high repair in specific alloy grades, lower yield performance in a few product families and productivity gaps in specific process steps. Because the data is real-time, decisions can be surgical and immediate — not generalised. Going forward, operational decarbonisation will not be achieved only through capex upgrades or future energy technologies. Those will come. But the strongest short-term and medium-term decarbonisation impact will come from disciplined data led decision making. Every melt, every alloy decision, every gating design, every repair cycle and every consumable usage must be backed by digital evidence. This is how Peekay will scale sustainability with economic growth — not in conflict with it. This is how the next stage of operational carbon reduction will be executed — continuously, digitally and intelligently.

WHY BETTER ESG PERFORMANCE IS FINANCIALLY MATERIAL FOR PEEKAY STEEL CASTINGS ?

LRS, CFO

In the past, ESG was largely viewed as an external reporting requirement. Today, ESG has become a core financial variable. For a capital-intensive industry such as steel castings, strong ESG performance directly influences cost of capital, operating cost stability, risk premiums, insurance pricing, customer access, export competitiveness, and investor perception. At Peekay Steel, ESG improvement is not only an environmental or ethical imperative—it is a business resilience and long-term value creation imperative. The global transition toward low-carbon manufacturing is reshaping capital markets faster than manufacturing behaviour itself. Banks, insurers, investors, and global OEM supply chains are increasingly pricing carbon and evaluating suppliers on Scope-3 emissions, circularity efficiency, water-risk exposure, renewable energy penetration, and material-efficiency returns. As a result, improved ESG performance directly enhances creditworthiness and future financing terms. For Peekay, strengthening ESG data quality and performance is critical to maintaining market access and qualifying for future growth opportunities.

Operating in an energy-intensive and material-heavy industry, Peekay's ESG initiatives deliver measurable financial value. Every tonne of scrap reused, every reduction in virgin alloy consumption, every kilowatt-hour saved per tonne, and every rework or process inefficiency eliminated directly improves P&L performance. This has already been demonstrated in FY24 and FY25, where ESG-driven initiatives—waste reduction, circular metal returns, yield improvement, logistics optimisation, digitalisation, and process efficiency—simultaneously reduced cost and improved margins. ESG improvement at Peekay is therefore tangible, quantifiable, and financially compounding. Access to global OEM customers increasingly depends on ESG performance. Emission intensity, circularity ratios, water footprint stability, renewable energy share, waste recovery pathways, and supply-chain traceability are now pre-qualification criteria rather than differentiators. Strong ESG performance elevates Peekay from a commodity supplier to a preferred advanced manufacturing partner, enabling margin premium positioning and long-term customer stickiness. ESG strength thus functions as a commercial moat.

For Peekay Steel, circularity is the primary pillar of our ESG Climate Transition Strategy 2024-25. It is measurable. It is economically positive. It is already delivering CO_2e reduction. This is how we will advance towards carbon neutrality—not theoretically, but through superior metallurgy and disciplined circular material management.

Robust ESG performance also strengthens risk management. Reduced dependence on virgin raw materials, lower energy intensity per tonne, improved scrap reuse, and reduced furnace idle time lower sensitivity to commodity price shocks and energy volatility.

This translates into more predictable earnings and stronger cash-flow stability—key drivers of valuation premium from a financial leadership perspective.Capital cost is another critical dimension. Global lenders and insurance pools are already applying differential pricing based on carbon intensity and production pathways. Consistent ESG improvement, supported by high-integrity measurement and verification, creates the potential to structurally reduce Peekay's weighted average cost of capital over the medium term. To support this, Peekay is investing in ESG data integrity through digitalisation, IoT, Industry 4.0 infrastructure, and automated material and energy accounting systems. These investments ensure that ESG disclosures are auditable, verifiable, and increasingly real-time. ESG improvement is not parallel to finance—ESG improvement is financial improvement.

Peekay Steel Castings' governance framework underpins this ESG-led value creation model. Governance is built on transparency, ethical conduct, and accountability, overseen by an experienced Board of Directors. Rooted in trust and integrity, the governance philosophy balances performance with organizational health to create long-term value for all stakeholders. The Board currently comprises family Directors who provide strategic continuity, stewardship, and deep business understanding. Recognizing the importance of governance evolution, the Company is conscious of the need to progressively broaden Board perspectives as scale and complexity increase. Day-to-day operations are managed by a professional leadership team across finance, operations, quality, HR, and global business development, working closely with the Board to ensure discipline, risk control, and performance monitoring.

Governance at Peekay is proactive and strategic, driven by long-term planning rather than reactive compliance. It is stakeholder-focused, extending beyond financial returns to social development, environmental responsibility, and shared value creation. Transparency, accountability, and engagement remain central to the governance framework.A robust policy architecture governs sustainability, safety, environment, CSR, human rights, and ethical conduct. These policies are reviewed periodically to remain aligned with regulatory requirements and global best practices. ESG strategies are deeply integrated into governance oversight, including long-term sustainability goals such as achieving net-zero carbon emissions by 2050.

Corporate Social Responsibility initiatives are guided by structured policies focused on healthcare, education, sustainable livelihoods, and skill development. Ethical conduct is reinforced through a formal Code of Conduct applicable to all employees. Risk management frameworks address material risks including climate change, energy volatility, water scarcity, and supply-chain exposure, supported by transparent ESG reporting. Governance at Peekay is also closely linked to innovation—digital transformation, process automation, renewable energy integration, and material efficiency initiatives are embedded within strategic decision-making. This integration ensures that governance, ESG performance, and financial outcomes function as a single system.

As CFO, ESG is viewed not as a cost to be absorbed, but as the most powerful structural risk-reduction and value-creation strategy for the coming decade. Companies that decarbonise early, circularise deeply, and measure accurately will attract cheaper capital, better customers, and stronger valuations. Peekay Steel intends to be among those companies.

CIRCULARITY IN FOUNDRY IS THE MOST PRACTICAL PATHWAY TO CARBON NEUTRALITY

DR. NITHIN RAJ, HEAD – R&D AND METALLURGY

In steel foundries, the fastest path to carbon neutrality is not in waiting for disruptive future energy vectors or exotic metallurgical innovation. The most practical and proven lever that is immediately available is circularity. Steel is infinitely recyclable without degradation. Therefore, every tonne that we can re-loop within the foundry prevents the emissions associated with mining, ore beneficiation, virgin alloy production, transportation, and high-intensity primary melting. An advanced AOD ensuring strong secondary refining and precisely controlled ladle metallurgy prevents any problem that could occur due to any small variations in recycled steel. Hence, with such a technology and technical knowledge in hand, we can extensively recycle steel. Circularity is not an ESG concept extension. It is metallurgical efficiency translated into carbon efficiency.

Peekay Steel Castings has structurally embedded circularity into its R&D, melt planning, alloy design and operational systems during the last four financial years. We have continuously reduced virgin metal and virgin alloy dependency through engineered scrap use and improved internal return utilisation. This transition is now data visible. In FY22, we consumed 649 tonnes of virgin metals and alloys which represented 4.63% of total metallic input. In FY25, despite higher overall production volumes, virgin consumption is 1068 tonnes and the share has reduced to 4.24%. This four-year directional decline confirms that metallurgical decoupling from virgin sources is working. The total scrap utilisation improved from 13,362 tonnes in FY22 to 24,129 tonnes in FY25.

> *THIS IS THE REAL BACKBONE OF INDUSTRIAL DECARBONISATION IN FOUNDRIES—LESS PRIMARY METAL NEEDED, MORE SECONDARY METAL ENGINEERED*

Circularity is not the act of “using scrap”. Circularity is the engineering of scrap. Our production melting - metallurgy team deploys chemistry cluster segregation, surface cleanliness control, alloy band discipline and foundry return characterisation to ensure that scrap behaves predictably inside the melting system. Quality of scrap and quality of secondary refining determines energy use, rework cycles, defect rates, fettling requirement and final carbon intensity. Every avoided rework cycle is avoided melting—which directly reduces kWh, GJ and Scope 2 footprint. Even with low quality scrap, efficient secondary refining and lade metallurgy can ensure high quality castings.

We have also focused deeply on reducing high carbon footprint virgin alloy additions. Using a targeted metallurgy optimisation program, we minimised requirements for Nickel, Molybdenum, Ferro-Mo, Tungsten, Ferrotungsten and Manganese across high alloy grades. We achieved this through special scrap selection and by adjusting alloy chemistry based on chromium and nickel equivalent. This metallurgy innovation alone avoided approx. 200 tonnes of CO_2e per year inside Scope 3 category 1. This is evidence that precision alloy design itself can be a climate lever—not only a quality lever.

Circularity has a direct effect on energy intensity. Furnace cycle time reductions, less trimming cycles, reduced shot blasting, reduced remelting and reduced trial re-melt loads all contribute to reduced kWh per tonne. In a foundry, melting is the largest energy consumer. Circularity is therefore the single most powerful energy efficiency tool.

Transport emissions are also structurally reduced when internal circularity loops are maximised. Foundry returns, feeders, gating returns and even precisely segregated machine shop chips are relisted back into the melting loop internally with strict control even for high alloy steels and exotic alloys with the support of AOD. This eliminates unnecessary inter-facility transport, procurement transport cycles and logistics emissions that otherwise accumulate invisibly.

Finally, circularity reframes waste as a design failure. Better simulation, improved feeding, better gating and better metallurgical solidification modelling allow us to reduce yield losses at design stage itself, before any melting happens. The best decarbonisation action is the action that prevents material going into furnace unnecessarily.

PRODUCTS AND MARKETS SERVED

Since its inception in the late 1990s, Peekay Steel has built a reputation as a dependable steelmaker with customers in the United States, Europe, the Middle East, and the Far East. Peekay Steel has the ability to co-engineer and manufacture steel castings from 1 kg to 15,000kg, from the early design phase to the finished component. We supply critical components to Oil & Gas, Power Generation, Mining, Logistics, and Earth Moving projects, not only in overseas nations but also in India, Peekay's home country. Of late, the company is in overdrive mode and is entering into the manufacturing of a wide spectrum of engineering products that require precise manufacturing processes.

We are highly diversified, producing more than 80,000pieces annually. Our products include ball valves, gate valves, globe valves, swing check valves, butterfly valves, safety relief valves, knife gate valves, angular valves, twin seals, multiport, flanges, flywheels, BOPs, elbows, steam turbines, gas turbines, hydro turbine blades, compressor casings, single volute pumps, double volute pumps, barrels, frame structures, L.S. &H.S. carriers, dipper lips, wheel hubs, crusher main frames, aggregate bowls, aggregate head, to name a few. The highly advanced factory at Hindupur manufactures ready- to-assembly machined castings, forgings, and fabrications of steel or special alloys.

In recent years the company has developed many complicated castings in special grades. Multistage pumps, Turbine casings of higher weight range and screw compressor casings are some important additions to that list. Apart from this development of several high strength and corrosion resistant special grades are being developed by working with the customers.

The company is finding success in additive manufacturing, particularly binder jetting, popularly known as Sand 3D Printing. Integrating 3D Printing with traditional casting offers multitude of benefits such as enhanced design flexibility, consolidated core designs, accelerated production times and significant reduction in resources and costs, improved product quality, optimized part weight. Using this technology highly critical multistage pumps and intricate cores of turbines etc. showed excellent dimensional accuracy and surface finish.

AWARDS

EEPC India (Southern Region) Export Excellence Award

So proud of this achievement! Wishing you even greater milestones ahead. Keep shining and inspiring.

L&T Award ALLOY'25

So proud of this achievement! Wishing you even greater milestones ahead. Keep shining and inspiring.

EEPC India's 54th Quality Award

This award recognizes Peekay Steel's strong export performance, global market presence, and consistent supply of high-quality steel castings, contributing to India's engineering export growth

IIF export excellence award

This Award recognizes Peekay Steel's leadership in foundry exports, reflecting strong global demand, consistent quality, and contribution to India's casting industry

Award For process excellence Triveni

The Process Excellence Award from Triveni recognizes Peekay Steel's focus on operational efficiency, continuous improvement, and optimized manufacturing processes ensuring quality and customer satisfaction.

Recognised Among CII's Top 100 Innovative Companies 2025

Peekay's recognition by CII among India's Top 100 Innovative Companies 2025 reflects purposeful innovation, operational discipline, and responsible growth, received by Managing Director Mr Shanavaz

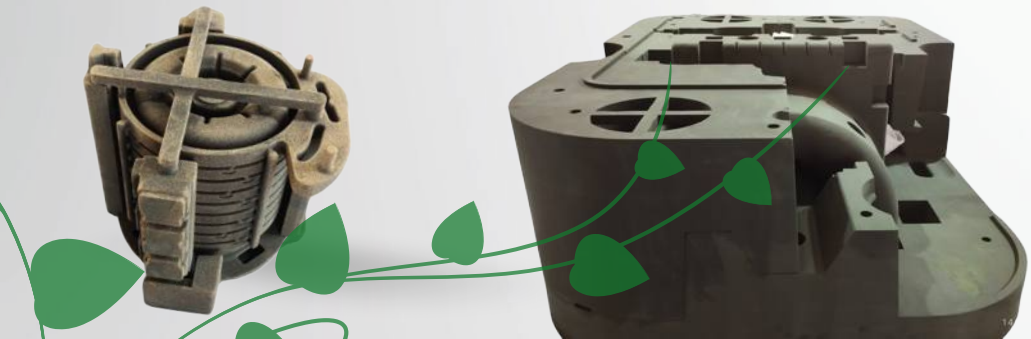
ADDITIVE MANUFACTURING & ENGINEERING CENTRE

Peekay Steel Castings Pvt Ltd has unveiled its all-new 3D printing facility at Airport Road, Bengaluru. This new facility will enable Peekay to manufacture any intricate design with ease and efficiency using 3D sand printing. It also underscores Peekay's unique position as a global manufacturer of industrial components to all the OEMs globally. Our engineering team has the experience and the tools to support an integrated product development approach, from design- to-manufacturing to final component. This gives us great advantage in reducing lead times, simplifying production of highly engineered products and exploring new design possibilities.

The 3D printing facility at Bengaluru will enable us to collaborate with customers and co- engineer with them in early stages of design, develop intricate parts, deliver products quickly for aftermarket /MRO (Maintenance, Repair, and Overhaul) business. The new technological developments at Peekay Steel are a proof of our commitment towards sustainability, superior quality, cost effectiveness, productivity and customer satisfaction.

The plant is operating with 100% renewable electricity with zero scope 2 emissions. 100% of wastewater generated is recycled and reused. All the technical vehicles of the plant are electric vehicles.

Machine Name	*VX4000*
Manufacturer	*Voxeljet Germany*
Technology	*Binder Jetting*
Print Head	*VPM-XVI, 200 dpi*
Size	*4,000mm x 2,000mm*



INVESTING IN OUR COMMUNITIES

At Peekay Steel, we prioritize the well-being of the society and have consistently led community development initiatives. Our commitment to Corporate Social Responsibility is ingrained in our values, long before it became a mainstream concept. Community Development Focus Areas:

A new cell counter, hormone machine, semi-auto analyzer, and electrolytes machine were donated to CICS Medical Centre, Kozhikode, supporting improved diagnostic and healthcare services.

Peekay Steel proudly sponsored the Kerala Super League, supporting league operations and team participation. The sponsorship reflects the company's commitment to promoting sports, youth development, and community engagement while encouraging football excellence and regional talent across Kerala.

Peekay Steel enhanced facilities at the boys' hostels of Calicut Higher Secondary School for the Handicapped under its Corporate Environmental Responsibility, investing INR 8.4 million. Works included roof slab maintenance, toilet block construction, replacement of damaged doors, windows, furniture, electrical repairs, painting, and flooring, benefiting over 100 differently abled students.

Peekay Steel donated beds and mattresses to Calicut Medical College Hospital in 2025 as part of its CSR healthcare initiatives. The contribution aimed to improve patient comfort and support hospital infrastructure, reinforcing Peekay Steel's commitment to community wellbeing and accessible healthcare services in the region.

Installation of fencing around the playground of Government High School, Nallalam, has been completed at a cost of INR 1.2 million under Peekay Steel's Corporate Environmental Responsibility initiative, enhancing safety and usability of the school's sports facilities.

Peekay Steel, in collaboration with Eduport (a Kerala-based EdTech platform), sponsors the Forge Ahead Scholarship 2025 for students who passed Class 10 in 2025. The program offers 20 full scholarships worth ₹5 lakhs each covering tuition and residential fees for Eduport's NEET/JEE Integrated Plus One and Plus Two program, aimed at empowering meritorious students to pursue competitive medical and engineering entrance preparation without financial barriers.

Corporate Social Responsibility (CSR)	
Particulars	Rs. in Lakhs
(i) For promotion of healthcare	80.25
(ii) For Education	17.07
(iii) Disaster management, including relief, rehabilitation and reconstruction activities	1.15
(iv) Measures for reducing inequalities faced by socially and economically backward groups	7.75
(v) Ensuring environmental sustainability	0.20
(vii) Promoting rural sports	1.25
Total	107.67
Corporate Environmental Responsibility (CER)	
(i)Enhanced facilities at the boys' hostels of Calicut Higher Secondary School for the Handicapped	84
(ii) Installation of fencing around the playground of Government High School, Nallalam	12
Total	96

Spent ₹10.76 Million on welfare activities

OUR COMMITMENT: PEOPLE BEFORE BUSINESS:

EXTENDING BEYOND OUR OPERATIONAL BOUNDARIES, WE SUPPORT COMMUNITIES THROUGH VARIOUS INITIATIVES AND STRIVE TO POSITIVELY IMPACT LIVES, FOSTERING COMMUNITY GROWTH AND DEVELOPMENT.

ENVIRONMENTAL STEWARDSHIP

Environmental, Health, and Safety (EHS) is the responsibility of everyone at Peekay. Continual improvement in EHS performance is an integral part our culture. We are certified to ISO 45001:2018, ISO14064-1 Verified and ISO 14001:2015. Peekay has awarded with three important awards for its advancements in the field of sustainability during the reporting period.

A.Best ESG Innovation Award 2025 by TNSPWA and SRM Institute of Science and Technology, Best Project Award – Environmental Protection by Rotary Club South Region, and Rotary India National CSR Awards 2025 – Best Project Award Environmental Protection

Our Brick Project received three prestigious recognitions – Best ESG Innovation Award 2025 by TNSPWA and SRM Institute of Science and Technology, Best Project Award – Environmental Protection by Rotary Club South Region, and Rotary India National CSR Awards 2025 – Best Project Award Environmental Protection. These awards acknowledge the project's environmental impact, the strength of its science, and its replicability as a scalable circular economy model for Indian industry.

The Brick Project was built on a simple principle – waste is not waste until you waste it. Foundry sand, slag and other industrial waste streams are transformed into high quality construction bricks, significantly reducing landfill, eliminating uncontrolled dumping, lowering virgin resource extraction, and reducing embodied emissions versus traditional brick making. This clearly demonstrates how industrial waste can become a climate positive, commercially viable and socially beneficial product.

These recognitions strongly validate Peekay's long term strategy that sustainability cannot remain only compliance driven. It must become business model driven. When sustainability creates economic value, it scales faster, sustains longer and remains resilient to policy changes. The Brick Project is therefore not only an environmental success, but a financial innovation success. It proves that ESG is a value creator, not a cost centre.

The project also aligns strongly with India's national circular economy vision, Industry 4.0 adoption and supports SDG 12, SDG 13 and SDG 9. As this model scales across foundry clusters nationwide, it has the potential to create new green skill pathways and local livelihood opportunities – delivering strong social co-benefits alongside climate action.

In FY26, Peekay will further strengthen this technology, expand volume, and collaborate with external clusters. The Brick Project will continue to be a signature flagship decarbonisation pathway for the organisation and a lighthouse model for circular transformation in Indian manufacturing.

B. Kerala State Energy Conservation Award 2024

Peekay Steel Castings was awarded the Kerala State Energy Conservation Award 2024 in the Large Scale Energy Consumer Category. This recognition reinforces our long-term commitment to sustainable energy use, operational energy efficiency and decarbonisation driven manufacturing.

Energy efficiency continues to remain a core pillar of Peekay's ESG strategy because it creates direct emission reduction impact, lowers energy cost intensity, strengthens competitiveness and accelerates progress towards net-zero. Every improvement in process optimisation, furnace utilisation efficiency, heat recovery, power factor improvement and digital energy monitoring has been continuously scaled across our facilities.

The award was presented in the presence of the Hon'ble Electricity Minister, Shri K. Krishnankutty and was received by Mr. Shagith K.K (Deputy General Manager – Maintenance & Sustainability), Mr. Pratheesh (Senior Manager – Maintenance & Sustainability) and Mr. Vinayakumar (Assistant Manager – Maintenance & Sustainability).

We thank the Department of Power, Government of Kerala, for acknowledging our direction and contribution. This recognition motivates Peekay to continue investing in technology-led efficiency, data driven operations and climate positive energy practices. This award reaffirms that energy efficiency is not only an environmental responsibility, but also a strong industrial value creator for a resilient, greener future.

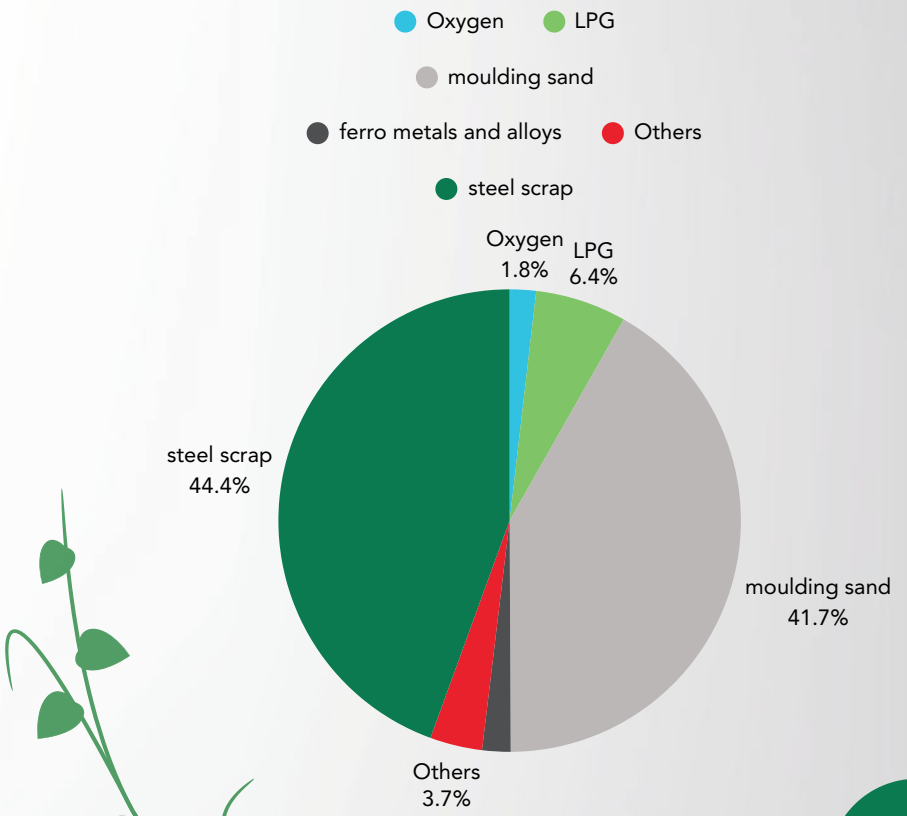
MATERIAL USAGE

In FY 2024–25, Peekay Steel Castings melted 25,197 tons of purchased metals, alloys, and scrap. Of this, 95.76% of the materials used in the melting process came from recycled secondary sources, primarily purchased scrap of multiple grades. The balance requirement of metal (excuding purcased metal, alloys and scrap) was met by recycling internal foundry returns. Foundry returns such as risers, runners, and machining chips are reused within the melting charge. One of our key sustainability goals is to maximise yield, increase the share of foundry returns, and continually reduce the use of virgin metals, alloys, and coke. Tungsten, a critical alloying metal required for high-performance grades, is sourced from recycled filament scrap. Coke consumption is being reduced through replacement with coconut shells. We continuously explore and qualify various recyclable raw materials to minimise global solid waste landfilling and strengthen circular resource utilisation within our melting systems. Charge optimisation using special scrap combinations and foundry returns enabled lower additions of nickel, molybdenum, ferro-molybdenum, tungsten, ferro-tungsten, and manganese. For example, in super duplex grade 6A, selected Zeron 100 and Ferralium scrap minimised tungsten additions, while nickel was controlled by balancing other alloy stabilisers to achieve the required chromium–nickel equivalent, PREN, and phase ratios. The climate benefit created through this material strategy is substantial. The emission factor for virgin metals/alloys is 4.92 tCO_2e per ton, compared to just 0.0038 tCO_2e per ton for scrap. During the reporting period, Peekay utilised 24,129 tons of scrap and only 1,068.12 tons of virgin metals, resulting in an avoided emission of 118,622 tCO_2e.

Year	Scrap (T)	Virgin Metals and Alloys (T)	Total (T)	% of Virgin materials
FY22	13362	649	14011	4.63%
FY23	21223	993	22216	4.47%
FY24	23934	1103	25037	4.41%
FY25	24129	1068.12	25197	4.24%

gauging rod is an electrode made of carbon, covered with a copper sheet. It is used for arc fettling operations. After consuming 90% of the gauging rod, the tip becomes waste, as the remaining 10% stays inside the holder of the gauging machine. The currently used gauging rods are of the pointed type, but they are being replaced with joint-type gauging rods. These electrodes can be fixed together, allowing the tip of the consumed electrode to be attached to a fresh rod, ensuring 100% consumption and eliminating waste.

The sand used to make molds is another significant material consumption in foundries. Peekay recycles the waste molding sand generated and reuses it. The waste sand is reclaimed through two methods: mechanical reclamation and thermal reclamation. In mechanical reclamation, the waste sand is collected completely and stored. It is then used as packing sand, as fresh sand is not required away from the cavity. In thermal reclamation, the waste sand is treated to restore its original properties.



The conventional sand used in foundries is natural silica sand, mined and processed from areas such as Cherthala (India), Rajasthan (India), and Saudi Arabia. However, there is a limitation on how much sand can be recycled and the surface finish it provides to the product. Peekay has replaced natural sand with an artificial sand called cerabead sand, which offers a better surface finish, fewer defects, and better recycling properties. This replacement will reduce the consumption of fresh sand, minimize waste generation, and reduce defects in the product, ultimately lowering the need for rework. Moulding sand becomes waste after multiple thermal and mechanical reclamations and must be disposed of at the end of its life cycle. Typically, spent moulding sand is used for landfilling at construction sites or for road works, leaving behind a significant carbon footprint. Peekay has partnered with the National Institute for Interdisciplinary Science and Technology (NIIST) of the Council of Scientific and Industrial Research (CSIR) to convert spent moulding sand into a useful product. The R&D team has developed a technology to transform waste moulding sand into construction bricks and pavement tiles. The technology has been tested at various stages by a team comprising members from NIIST and Peekay. The manufactured bricks have been tested at several NABL-accredited industrial and institutional labs, with satisfactory results. Peekay has established a semi-automated brick manufacturing facility in Coimbatore, near its foundry. The plant is now operational and can produce 3,500 bricks per day. Each brick weighs 3.8 kg and is made up of 65% waste moulding sand. The plant has the capacity to convert 2,500 tons of waste sand into bricks annually.

Peekay Steel received the Best Project Award – Environmental Protection from Rotary Club South Region for its innovative brick project. The initiative converts foundry waste silica sand into eco-friendly construction bricks, promoting waste reduction, resource efficiency, and sustainable manufacturing practices while reinforcing Peekay Steel's commitment to environmental stewardship.

IMPACT AND OUTCOMES CREATED

The Brick Project has demonstrated strong environmental, economic, and social outcomes, setting a benchmark for sustainable industrial innovation. Environmentally, the initiative has converted over 900 tons of industrial waste into value-added construction materials, producing 2.5 lakh eco-bricks, of which 1.25 lakh have been sold in the open market. The non-fired process makes these bricks 30% more affordable than conventionally produced alternatives, while avoiding approximately 500 tons of CO_2e emissions to date. Economically, the project operates as a self-sustaining model, eliminating landfilling and related disposal costs. Its durability and cost-effectiveness make it a competitive alternative to red and fly ash bricks. Socially, the project stands out for its 100% women-led operations covering production, quality, logistics, and management, thereby fostering local entrepreneurship and supporting affordable housing initiatives. With growing interest from foundry clusters across India, Peekay Steel is enabling wider circularity by sharing open-source access to its technology, plant designs, machinery specifications, and training materials. The Brick Project exemplifies the circular economy in action, delivering measurable environmental, economic, and social value while showcasing a scalable model for sustainable transformation across the foundry and construction industries.

ENERGY USE

A foundry is an energy-intensive business. It will be the primary impact on the environment of our business. It takes a large amount of energy to melt metals and run the operations, including LPG, electricity, and diesel, and we are committed to manage energy usage efficiently. The energy and carbon policy of Peekay is showing our commitment to improve energy efficiency through innovation and process optimization. In FY 2024-25, we consumed 89010 MWh of energy in total. Energy savings have a direct effect on our bottom line, and we have set a target of improving energy intensity figure, MWh (LHV) per MT of crude steel production to 2 MWh/MT by 2030. It is reduced to 2.41MWh/MT in FY 2024-25 compared to 2.49 MWh/MT in FY2023-24.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	48873.82	48873.82
Consumption of purchased or acquired electricity		249.92	35677	35926.92
Consumption of self-generated non-fuel renewable energy		4208.25	0	4208.25
Total energy consumption	LHV (lower heating value)	4458.17	84550.82	89008.99

SOME OF THE MAJOR INITIATIVES IMPLEMENTED TO REDUCE ENERGY CONSUMPTION AND IMPROVE ENERGY EFFICIENCY AS PART OF GHG EMISSION REDUCTION INITIATIVES ARE GIVEN BELOW:

01 Energy Efficiency Improvement

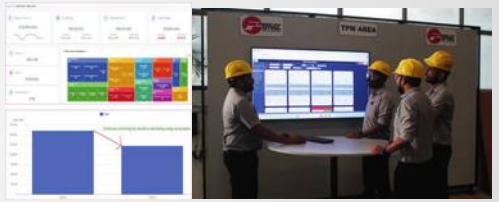
High Frequency Generator Automatic Cutoff: The high-frequency grinding machine is one of the major energy-consuming systems in the fettling shop, and its generator traditionally runs continuously regardless of how many grinders are in operation. To address this, a timer-based automatic cutoff system has been introduced, ensuring that high-frequency generators shut down at predetermined times, which stops all grinders simultaneously during non-working periods. This intervention maximizes the utilization efficiency of the generator and reduces specific electricity consumption. The initiative is expected to save 5,000 kWh per month and avoid approximately 43 tons of CO_2e emissions annually. Implementation has been completed in one of the three fettling shops at Calicut, and work is in progress for the remaining shops.

02 3D Printing:

Rapid Prototyping With Additive Manufacturing: The shift from conventional moulding to 3D-printed moulds has delivered substantial improvements in efficiency, labour reduction, and energy savings. Traditionally, manufacturing a multistage pump casing required 16 core boxes and 29 individually made cores, each produced manually with the help of electrical machines, followed by time-consuming assembly and gap-checking. With 3D printing, the entire mould—including complex geometries—is printed directly, reducing the number of cores from 29 to just 2 and eliminating extensive pattern-related activities. This results in faster assembly, greater dimensional accuracy, and significantly lower electricity consumption. As the capability and adoption of 3D printing increased year after year at Peekay, the corresponding energy savings also grew. The reduction in manual intervention, labour hours, and machinery use demonstrates how additive manufacturing is transforming mould production into a faster, cleaner, and more sustainable process.

03 Energy Intelligence System

The Energy Intelligence System leverages IoT and AI technologies to enable real-time monitoring and predictive analytics for proactive maintenance and efficiency improvements. Implemented through Zerowatt, it helps industries conserve energy by continuously tracking consumption and optimizing processes. Key initiatives include compressed air system optimization, charge assist systems for melting processes, and active harmonic filters to reduce ITHD. These measures collectively deliver annual energy savings of 14,08,500 kWh, translating into cost savings. By digitalizing energy management, organizations achieve significant sustainability benefits while reducing operational costs



EMISSIONS

GHG EMISSIONS

GHG emissions are divided into three categories:

- Scope 1 Emissions are those which produced directly by the activities of the business by its own facilities, such as the combustion of natural gas for heating, or emissions arising directly from manufacturing and/or production processes, as well as fuels used to power company vehicles.
- Scope 2 emissions are associated with the business use of electricity, which was generated elsewhere from the burning of fossil fuels (e.g. coal, natural gas);
- Scope 3 emissions are the emissions incurred by third parties (not electricity) involved in servicing the business needs, such as waste, business travel and accommodation, paper and water use. Scope3 emissions also include the carbon emissions arising from processes associated with the broader 'life cycle' of the production chain, both up stream activities and downstream.

Currently we are tracking Scope 1 and Scope 2 emissions completely and scope 3 partially. The standard followed are GHG Protocol and ISO14064-1. Scope 1 emissions include use of LPG, diesel, petrol, CNG, CO2 for welding and refrigerant consumption at our locations. Scope 2 emissions are the result of purchased non- renewable energy utilized in our plants. Under Scop 3, following categories according to GHG Protocol are accounted by Peekay steel.

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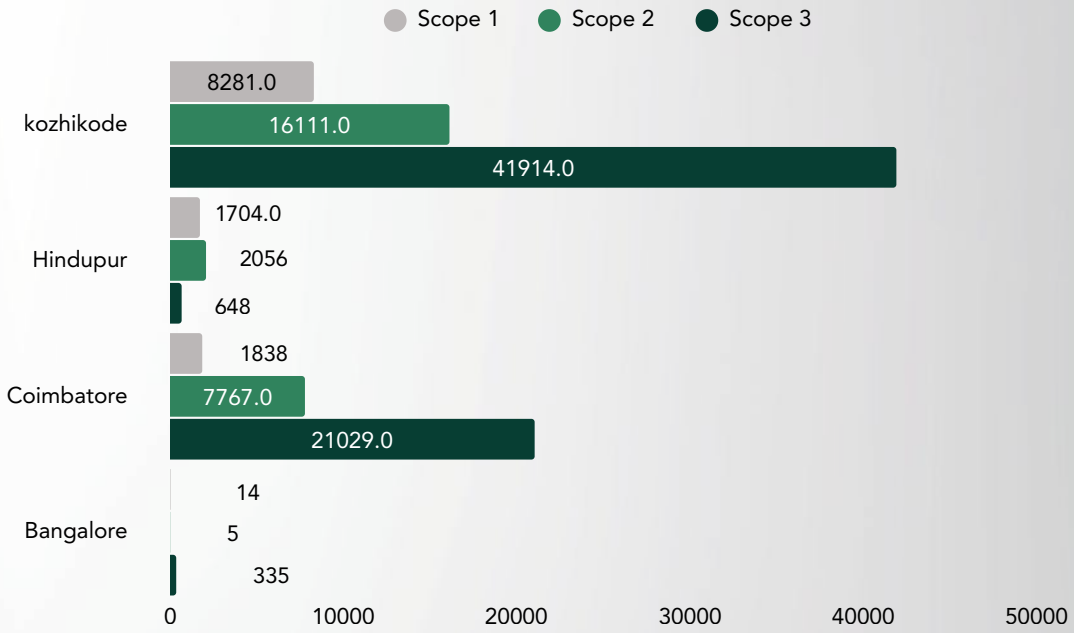
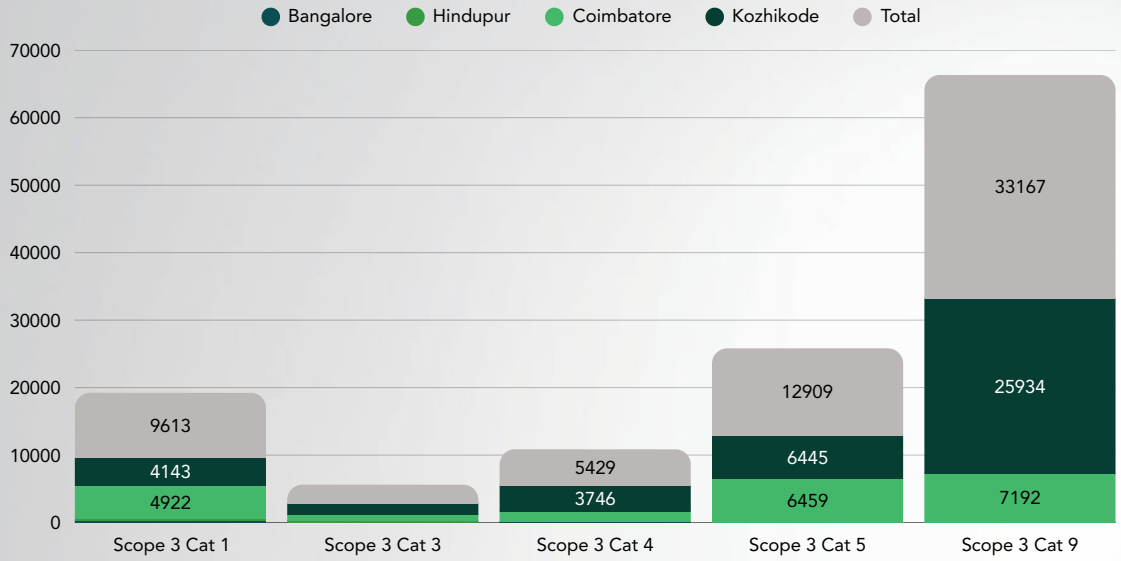
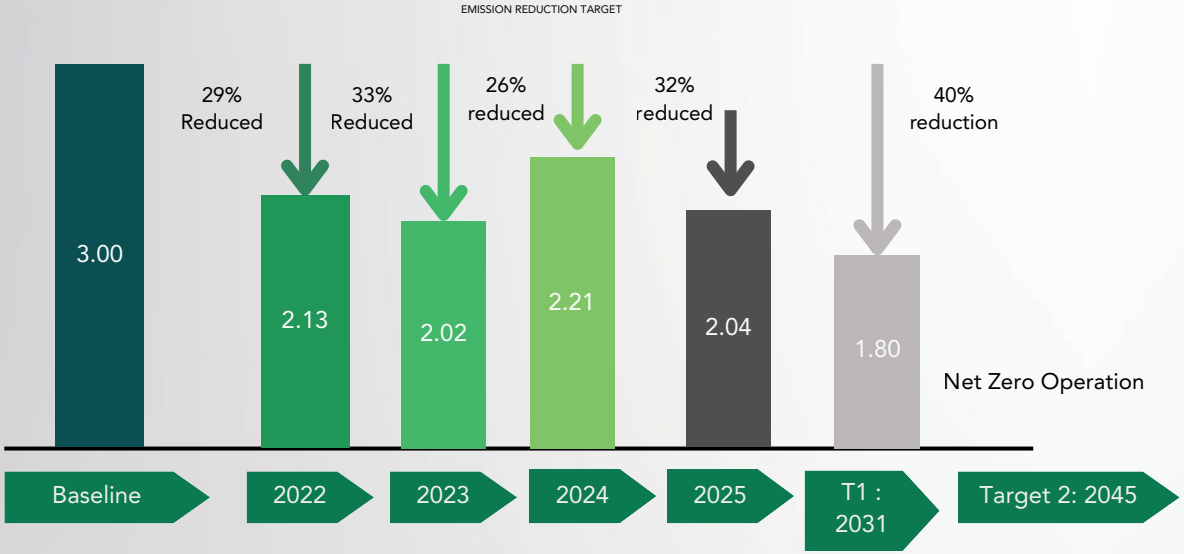
Scope – 3 Category 1 – Purchased Goods and Services
Scope – 3 Category 3 – Fuel and energy related activities
Scope – 3 Category 4 – Upstream transportation and distribution
Scope – 3 Category 5 – Waste generated in Operations
Scope – 3 Category 9 – Downstream transportation and distribution

In FY 2024- 25, the absolute GHG emissions under Scope 1 and 2 were 37774 tons of carbon dioxide equivalent (CO2e). In FY 2024-25, our absolute scope 3 GHG emission was 63928 tons of carbon dioxide equivalent (CO2e). The graph shows the breakdown of the emissions by facility. The majority of our Scope 1 emissions come from the use of LPG for fettling and heat treatment applications.





In addition to our absolute GHG emissions, we also track our GHG emissions intensity figure based on tons of product shipped to customer. The intensity figure for FY 2024-25 is 2.04 tons of scope 1 and 2 emissions in CO_2e per ton of castings shipped to customer. Peekay has set short term and long-term targets to achieve net zero operations. The parameter used to track greenhouse gas (GHG) emission reduction is the intensity figure of scope 1 and 2. Intensity figure of scope 1 and 2 is the ratio of total GHG emissions under scope 1 and 2 per ton of castings dispatched to customer. It is reduced to 2.04 in 2025 from 3 in 2019.

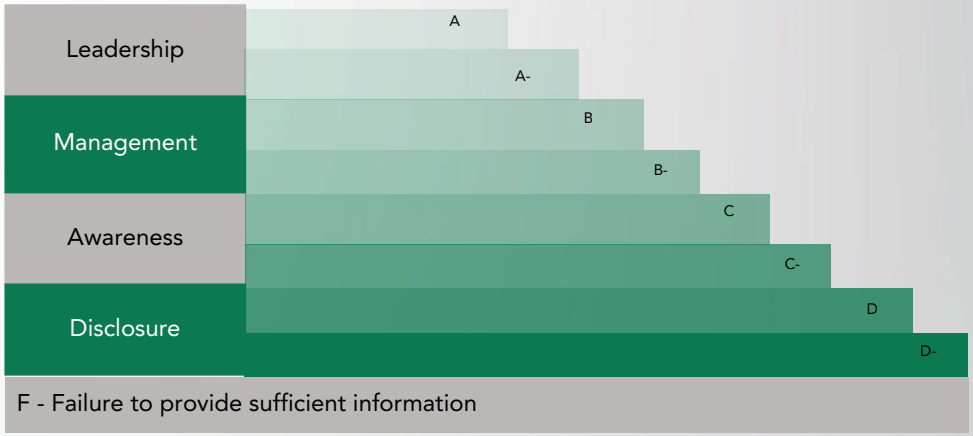


Intensity Figure of Scope 1 and 2

We have registered in SBTi, and the target was submitted for verification. Since more than 50% of the revenue of the company was from oil and gas industries, SBTi has replied to us that currently they don't have a methodology to verify the target for such companies.

Peekay is disclosing its carbon footprint through various non-profitable and customer managed platforms such as Carbon Disclosure Project (CDP), Optera, Supplier+S etc. Peekay has started responding to CDP in 2021. In 2022 Peekay has received a CDP score of D. It has improved to C in 2023 and B- 2024. It improved to B in 2025.

Year	CDP Score of Peekay
2022	D
2023	C
2024	B-
2025	B



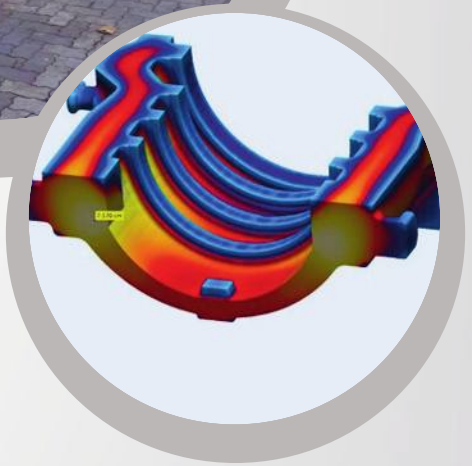
Definitions of CDP Score

Some of the major projects implemented in order to reduce carbon footprint emission is given below:

1. The fuel source for heat generation has been successfully converted from diesel to LPG, making operations cleaner and more cost-effective. Processes such as ladle preheating and heat treatment, previously dependent on diesel, now use LPG. For a production of 18,000 tons (2024–2025), this shift reduces diesel consumption from 453,060 liters to 174,060 kg of LPG. Additionally, the transition achieves a significant environmental benefit with an annual GHG emission reduction of 470 tons of CO_2e. The company is further committed to replacing LPG with PNG, reinforcing its sustainability and energy efficiency goals.

2. To promote sustainability and reduce emissions, the company has introduced a 3-ton electric forklift for outdoor applications, replacing a diesel-powered forklift of the same capacity. This transition eliminates the use of fossil fuels and avoids approximately 12 tons of CO_2e emissions annually, contributing significantly to the organization's carbon reduction goals. In addition, the company has developed in-house solar-powered electric vehicles for internal transportation of water, machinery, and personnel. These vehicles, built using recycled materials and equipped with solar roofs for battery charging, can carry up to six people, further enhancing clean energy adoption and reducing operational costs.

3. The soaking time optimization initiative focuses on improving heat treatment efficiency by determining the ideal soaking duration based on the effective modulus thickness of castings. Traditionally, excessive soaking time led to unnecessary fuel consumption and reduced productivity. By using Magma simulation to analyze modulus distribution, the process now optimizes soaking time for each casting, reducing energy use without compromising metallurgical quality. This improvement saves an average of 600 kg of LPG monthly, totaling 7,200 kg annually, and cuts 21 tons of CO_2e emissions. The reduced soaking time also enhances furnace availability and throughput, supporting both operational efficiency and sustainability goals. This approach demonstrates how advanced simulation and data-driven decisions can significantly lower energy costs while minimizing environmental impact.



RENEWABLE ENERGY TRANSITION PLAN OF PEEKAY STEEL

SHAGITH K.K., DGM – ESG & MAINTENANCE

At Peekay Steel, our energy transition is not merely an environmental initiative—it is a business transformation strategy designed to make the company more competitive, resilient and future-ready. The Board's sustainability vision clearly identifies renewable energy (RE) as a foundational pillar for decarbonising our operations, reducing long-term energy volatility, and aligning with national and global climate goals. In line with this direction, Peekay Steel has adopted an aggressive and structured Renewable Energy Transition Plan aimed at achieving 40% of total electricity consumption from renewable sources by 2031.

Current Energy Mix and the Urgency for Transition

During FY 2024-25, our electricity consumption pattern stands at:

- Solar: 1.7%
- Wind: 9.4%
- Grid: 88.9%

While this shows clear progress compared to earlier years, the data emphasises the need to accelerate project execution and commissioning to reduce reliance on grid electricity, which is both carbon-intensive and cost-volatile. This baseline assessment formed the starting point of our RE roadmap.

Integrated Portfolio of Renewable Projects

Peekay Steel's RE strategy follows a three-channel deployment model—captive installations, power-purchase agreements (PPAs), and hybrid commissioning models—to balance cost optimisation, technological flexibility and speed of implementation. A total portfolio of more than 9 MW is now in different stages of implementation, making it one of the most ambitious RE pipelines in the Indian foundry sector. The projects implemented so far have already begun contributing to a reduction in peak-hour drawal and grid dependency. Several PPA-based solar plants are in the final stages of commissioning, and large-scale projects such as the 4,000 kW solar facility in Coimbatore represent a major step toward our 2031 target.

Strategic Approach to Scaling Renewable Energy

To ensure the RE plan is both technically robust and financially viable, Peekay follows a five-pillar strategy:

Sl.No.	Project Name	Capacity (kW)	Mode	Status
1	CBE Old Wind	2350	Captive	Implemented
2	CLT Hostel	160	Captive	Implemented
3	CLT LSF	180	Captive	Implemented
4	Areekkode	8	Captive	Implemented
5	HUP	1000	PPA	Implemented
6	CLT - MS and PS	567	PPA	Implemented
7	CBE - MS and PS	397	PPA	Work in Progress
8	CBE OA	4000	PPA	Work in Progress
9	CLT Parking	98	Captive	Implemented

1. Captive RE Deployment for Critical Loads: Captive solar rooftops, parking-lot photovoltaic structures, and old-wind asset repowering are used to stabilise essential operational loads while creating predictable cost savings.
2. High-Capacity PPAs for Rapid Scaling: PPA projects help us scale quickly without upfront capital expenditure. This model is particularly valuable for energy-intensive units such as melting shops and pattern shops.
3. Grid Optimization and Smart Load Management: IoT-enabled energy meters and predictive analytics now allow plant teams to optimise sourcing between wind, solar and grid in real time. This data-driven approach ensures maximum utilisation of renewable power whenever available.
4. Future Hybrid RE Systems: Peekay is evaluating hybrid models combining wind + solar + battery storage for ensuring reliable supply even during seasonal fluctuations.
5. Governance and Monitoring: The ESG Governance structure—monthly reviews by the Group Management Committee and periodic reporting to the Board-level Sustainability Committee—ensures the RE roadmap stays on track with clear accountability.

Pathway to 2031

By FY 2031, through a mix of scaling existing PPAs, adding new captive plants, repowering wind assets, incorporating storage solutions, and enhancing digital energy management systems, Peekay Steel is positioned to achieve 40% renewable energy penetration. This will translate into significant reduction in Scope 2 emissions, lower energy cost per tonne of casting, and improved long-term financial resilience.

A WORLD-CLASS WORKFORCE

Peekay Steel Castings Pvt. Ltd. has long been recognized for its commitment to trust, responsibility, and ethical governance. In FY25, the company strengthened this legacy by placing human rights protection at the heart of its ESG strategy. At Peekay Steel, respecting and safeguarding the dignity of every employee is not viewed as a regulatory duty—it is a core value that shapes organizational culture, operational decisions, and long-term sustainable growth.

Human rights protection at Peekay Steel is built on a comprehensive framework of policies that ensure fairness, equality, safety, and respect across every level of the organization. These policies guide employee behavior, managerial responsibilities, recruitment processes, and workplace conduct, ensuring that the company remains aligned with global best practices while staying responsive to the needs of its workforce.

COMMITMENT TO ETHICAL BUSINESS PRACTICES

Peekay Steel's Code of Ethics forms the cornerstone of its human rights governance. The company is committed to conducting business with honesty, transparency, and integrity. This begins with the expectation that all employees avoid conflicts of interest, refrain from bribery or corrupt practices, and uphold the highest standards of professional conduct. By setting clear expectations for ethical behavior, the company ensures that decisions impacting people, operations, or society are rooted in fairness and responsibility.

Confidentiality is another major pillar of the policy framework. Employees are entrusted with sensitive information, and strict confidentiality norms are enforced to protect both individuals and the organization. Compliance with statutory obligations—ranging from labor laws to safety standards—is deeply embedded in all operational functions.

Equally important is the company's adherence to fair employment practices. Peekay Steel guarantees compliance with all applicable wage and employment regulations, ensuring that every employee receives fair compensation. This commitment reinforces the broader principle that dignified work and just pay are fundamental human rights.

Anti-Human Trafficking and Forced Labor Prevention

Forced labor and human trafficking remain significant human rights concerns globally. Peekay Steel takes a strong stance against these practices through its dedicated Anti-Human Trafficking Policy. The company ensures that all work is strictly voluntary, and no individual is ever compelled to work under threat, penalty, or deception.

Key safeguards include:

- Absolute prohibition of child labor, ensuring that no person under the age of 18 is employed in any capacity.
- Ban on confiscation of identity, travel, or government documents, preserving employee autonomy and mobility.
- Transparent recruitment practices, where job terms, wages, and responsibilities are communicated clearly and honestly.
- Zero tolerance for charging recruitment fees to job seekers, preventing financial exploitation during hiring.

These measures align Peekay Steel with globally recognized frameworks such as the International Labour Organization (ILO) Forced Labour Convention. By adopting and implementing these standards, the company positions itself as a responsible corporate citizen working to eliminate exploitation and ensure ethical labor practices within its operations and supply chain.

Equal Employment and Non-Discrimination

Peekay Steel's Equal Employment & Non-Discrimination Policy demonstrates its commitment to building a fair, inclusive, and prejudice-free workplace. The company explicitly prohibits discrimination based on caste, gender, color, age, ethnicity, religion, social origin, disability, sexual orientation, marital status, or veteran status.
This policy provides equal access to recruitment, training, promotions, and career advancement opportunities. It also establishes a safe environment where all employees can contribute to the organization without fear of bias or unfair treatment.
To reinforce this culture of inclusion, the company implements the following measures
:

- Training on diversity, inclusion, and unconscious bias to enhance employee awareness and sensitivity.
- Encouraging open communication, where individuals can report discrimination or harassment through confidential and secure channels.
- Quick and transparent investigations, ensuring that every reported incident is addressed with fairness and without retaliation.
- Corrective actions and remedial measures to prevent recurrence and uphold a respectful workplace.

Through these interventions, Peekay Steel fosters a culture where collaboration, creativity, and innovation thrive—driven by a diverse workforce that feels valued and respected.

Employee Welfare and Safe Working Conditions

Employee Welfare and Safe Working Conditions
Beyond policy commitments, Peekay Steel invests significantly in the health, safety, and welfare of its workforce. Safe working conditions are maintained through regular risk assessments, adherence to safety protocols, and continuous improvement of workplace infrastructure. Employees are provided with necessary safety equipment, training, and resources to promote physical well-being.
Mental and emotional well-being are also recognized as essential components of human rights protection. Peekay Steel encourages work–life balance initiatives, promotes employee support systems, and implements fair, transparent recruitment and wage practices that ensure dignity and security at work.

Alignment with Global Standards

The human rights protection framework at Peekay Steel is aligned with internationally accepted standards and principles, including:

- UN Guiding Principles on Business and Human Rights
- International Labour Organization (ILO) Conventions
- Universal Declaration of Human Rights
- Sustainable Development Goals (particularly SDG 8: Decent Work and Economic Growth)

By aligning itself with these global frameworks, Peekay Steel strengthens corporate accountability, enhances its ESG standing, and builds trust among stakeholders including employees, customers, investors, and regulatory bodies.

Monitoring, Accountability, and Continuous Improvement

Peekay Steel has developed strong monitoring mechanisms to ensure that human rights practices are consistently implemented and continually improved. These include:

- Accessible reporting mechanisms, where employees can raise concerns directly with the HR department or senior management.
- Regular training programs covering ethics, anti-trafficking, non-discrimination, and workplace conduct.
- Internal audits and periodic reviews to assess policy effectiveness, identify gaps, and implement corrective actions.
- Strict disciplinary procedures for violations, including suspension or termination in cases of misconduct or ethical breaches.

This cycle of review and improvement ensures that human rights protection remains a dynamic, evolving priority within the organization.

Conclusion

Human rights protection is more than a policy for Peekay Steel—it is a moral responsibility and a strategic foundation for sustainable business. By embedding ethical conduct, fair employment, anti-exploitation safeguards, and inclusive practices into its operations, Peekay Steel protects employee interests while contributing to broader societal well-being.

As the company moves into FY25 and beyond, its commitment to human rights will continue to guide decision-making, strengthen workforce relationships, and support long-term value creation. Through its unwavering dedication, Peekay Steel reaffirms that sustainable progress is only possible when the dignity, rights, and well-being of people are upheld at every step.

REFLECTING ON A REMARKABLE JOURNEY· THE ESSENCE OF OUR TTM SESSIONS

JENIL JOSE, AGM - HUMAN RESOURCES

It is with great pride and appreciation that I reflect on one of the most impactful learning initiatives we carried out over the past two years, including this year - The Total Manager (TTM) programme. This journey has been remarkable not only for the depth of engagement it created but also because it stemmed from a thoughtful and forward-looking decision by our Management, who firmly believe that meaningful transformation begins by investing in people. Their vision and commitment laid the foundation for a programme that enriched our culture, strengthened our teams, and inspired individuals across the organization.

The TTM journey brought together participants from four units, conducted across nine batches, with a total of 157 employees taking part in the programme. This diverse participation added immense value and created a rich environment of shared learning and collaboration.

Each of the eight sessions was thoughtfully designed to encourage introspection, self-awareness, and meaningful collaboration. Participants were guided to pause, reflect, and understand their strengths, behavioural patterns, and the impact they create in their professional environment. Many shared that these reflective moments helped them reconnect with aspects of themselves that often remain unnoticed amidst daily pressures, providing a renewed sense of direction and clarity.

A core highlight of the programme was the emphasis on interpersonal understanding and team cohesion. With employees from different roles and units coming together, the sessions became a space to build bridges, break silos, and appreciate diverse working styles. Open and sincere discussions helped create a supportive environment, one where individuals felt comfortable expressing themselves, listening to others, and building stronger connections. This cross-functional bonding significantly strengthened collaboration and fostered a more unified organizational spirit.

Leadership development emerged as one of the most transformative dimensions of the TTM experience. The programme reminded participants that leadership is not merely a designation but an attitude of ownership, responsibility, and influence. They were encouraged to explore their leadership potential, reflect on their values, and examine their approaches to decision-making and people-centric behaviours.

These conversations sparked deeper thinking and helped individuals recognize how they can contribute more effectively within their teams.The sessions also brought greater clarity to goal-setting and performance alignment. By breaking larger objectives into structured and actionable steps, participants gained tools and frameworks that enable disciplined execution and a stronger sense of accountability. This has helped lay the foundation for a more performance-driven and growth-oriented culture.

Above all, the most powerful outcome of the TTM journey has been the shared sense of community that unfolded. Across nine batches, four units, and 157 participants, the programme created a vibrant space filled with sincerity, openness, enthusiasm, and collective growth. The warmth and positivity displayed throughout the sessions reflected the true strength of our organizational values.

As I look back on this remarkable journey, I remain deeply grateful to our Management for their unwavering support and to every participant who embraced the programme with commitment and openness. The TTM initiative has strengthened not only our learning culture but also the human connections that define us as an organization.

These eight sessions will stand as a significant milestone, a reminder that when we invest in people, we invest in our future.

GRI INDEX

Topic	Metric	Code	Location in the Report
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	Entities included in the organization's sustainability reporting	GRI 2-2	About us, page 9 Report Parameters, page 54
	Reporting period, frequency, and contact point	GRI 2-3	About us, page 9 Report Parameters, page 54
	External Assurance	GRI 2-5	The report is not externally assured
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General Disclosures: Governance	Governance structure and composition	GRI 2-9	About us: Governance structure, page 19
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Anti-Corruption	Communication and training about anti-corruption policies and procedures	GRI 205-2	Commitment to Ethical Business Practices, page 50
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PEEKAY STEEL

GOING GREEN IN ACTION !!

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