

CMO's statement

Building the manufacturing ecosystem of tomorrow

Dear Shareholders,

As Hyundai Motor India enters its fourth decade in the country, manufacturing has become much more than a production function. It has evolved into a strategic capability that enables innovation, strengthens competitiveness, supports exports and prepares us for the future of mobility. Over the years, we have built a manufacturing ecosystem that combines global standards with local agility, enabling us to respond confidently to changing customer expectations and an increasingly dynamic automotive landscape.

FY 26 marked an important milestone in that journey. Alongside delivering consistent production performance across domestic and export markets, we expanded our manufacturing footprint with the commencement of operations at our Pune facility—one of the most significant capacity additions in HMIL's history. More importantly, this year demonstrated how our investments in technology, localization, sustainability and manufacturing excellence are coming together to build a stronger and more future-ready organization.

The addition of the Pune plant has fundamentally strengthened our manufacturing network. Together with Chennai, it creates a dual-factory ecosystem that gives us greater flexibility, operational resilience and the ability to respond faster to evolving market requirements.



While Chennai continues to provide the scale, process maturity and manufacturing excellence developed over three decades, Pune represents the next generation of intelligent manufacturing. Its proximity to a robust supplier ecosystem, flexible production architecture and digital-first design significantly enhance our ability to support future growth in both domestic and export markets.

Beyond expanding capacity, the Pune facility embodies the broader manufacturing philosophy that guides our operations. Across our network, we are building flexible production systems that enable multiple models and powertrains to be manufactured efficiently through shared platforms. This allows us to introduce new products faster, adapt more effectively to changing customer demand and prepare our operations for the gradual transition toward hybrid and electric mobility without compromising efficiency or quality.

Digital transformation is becoming one of the defining characteristics of modern manufacturing and we are steadily advancing our journey toward a software-defined factory. Today, over 2,000 critical machines across our operations are connected through an industrial data network, generating real-time intelligence that drives predictive maintenance, automated quality inspection and faster decision-making on the shop floor. Our vision extends beyond automation—it is about creating connected factories where data, technology and human expertise work together to continuously improve performance.

Future competitiveness also depends on the strength of our supply chain. During the year, we deepened localization across high-value components and advanced technologies, reducing import dependence while improving cost competitiveness, supply continuity and operational resilience. The rapid development of the supplier ecosystem around the Pune facility is a testament to the confidence our partners have placed in HMIL's long-term vision for India. Together, we are building an industrial ecosystem that is not only more competitive but also capable of supporting the next generation of mobility technologies.

Building a more resilient and technology-enabled manufacturing network requires a clear commitment to decarbonization.

Improving energy efficiency, reducing emissions and optimizing resource utilization are becoming increasingly important drivers of long-term manufacturing competitiveness. During FY 26, our Chennai plant achieved 100% renewable energy sourcing, supported by group captive solar investments, upcoming wind energy capacity and focused energy-efficiency initiatives. As a result, we achieved a 59% reduction in Scope 1 and Scope 2 emissions compared to the previous year. Additionally, the Pune facility achieved 100% renewable electricity coverage through a certified green energy procurement, supported by the purchase of International Renewable Energy Certificates (I-RECs). Looking ahead, our five-year energy roadmap will further strengthen operational efficiency while accelerating our journey toward low-carbon manufacturing.

None of these achievements would have been possible without our people. Their expertise, discipline and commitment to continuous improvement remain the driving force behind HMIL's manufacturing excellence. I also extend my sincere appreciation to our suppliers, business partners and stakeholders, whose collaboration bolsters one of the most integrated automotive manufacturing ecosystems in the country.

The road ahead is defined by clear priorities. We will continue to enhance manufacturing agility, deepen localization, accelerate AI-led and software-defined manufacturing and strengthen quality, operational excellence and export competitiveness. Through continuous innovation and advanced manufacturing technologies, we are strengthening capabilities that will drive sustainable growth and reinforce HMIL's leadership in the evolving mobility landscape.

As HMIL celebrates 30 years in India, we look ahead with confidence – supported by a strong manufacturing foundation and a steadfast commitment to advancing India's mobility aspirations in the decades to come.

Warm regards,

Gopalakrishnan CS

**Whole-time Director &
Chief Manufacturing Officer**
Hyundai Motor India Limited