SUSTAINABILITY REPORT
2025

PharmaZell India | Vizag & Chennai Sites

PharmaZell (India) Private Limited, an Axplora company

PharmaZell

axplora
Reliable partner. Agile explorer

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Vizag Site (PharmaZell, Axplora)

About this **Report**

This Sustainability Report presents the environmental, social, health and safety, as well as governance approach and performance of Axplora's Indian manufacturing operations for the reporting period from 1st January 2025 to 31st December 2025. The report covers the Vizag and Chennai manufacturing sites and has been prepared as a combined report for the Indian operations of the Axplora Group.

Axplora is a global API and CDMO partner to the pharmaceutical industry. In India, the Group operates through its PharmaZell manufacturing footprint, serving customers through development, scale-up, and commercial manufacturing of active pharmaceutical ingredients, intermediates, and related services. This report has been developed to communicate our sustainability priorities, management systems, performance trends, and improvement actions across both Indian sites in a single, integrated document.

Reporting Principles

This report has been prepared using the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. Together, these principles support consistent, transparent, and evidence-based disclosure of the environmental, social, and governance topics that are most relevant to PharmaZell (India) Private Limited manufacturing operations.

Statement on group affiliation

The Vizag and Chennai manufacturing sites are part of the Axplora Group's Indian operations. This report should therefore be read as the sustainability report covering Axplora's India manufacturing footprint for CY 2025, while recognizing that certain policies, strategic priorities, and ESG commitments may be defined at Group level and implemented through site-level management systems.

Reporting boundary

This report includes the following operations in India:

- Vizag site operations, Andhra Pradesh
- Chennai Operations, Unit I and Unit II, Tamil Nadu
- Reporting period: 1st January 2025 to 31st December 2025
- Combined report for PharmaZell India operations

Chennai Site (PharmaZell, Axplora)

OUR EXECUTIVE COMMITTEE | DRIVING SUSTAINABILITY

Martin Meeson, Chief Executive Officer

Provides Group-level strategic direction, customer focus, growth leadership and oversight of Axplora's global operations.

Dr. Edgar Lange, Chief Financial Officer

Oversees finance, IT, controlling, accounting, treasury, tax and legal functions, supporting governance, business visibility and disciplined decision-making.

Mario Di Giacomo, Farmabios BU President

President of Axplora's Steroids & HPAPI Products Business Unit. His leadership supports business growth, operational excellence, and strong manufacturing expertise across the group.

Pere Paton, Chief Operating Officer (COO)

Supports R&D, scale-up, commercial production, and process optimization. supports operational excellence and continuous improvement for CDMO units

Anant Barbadikar, PharmaZell BU President, Operations

Oversees Indian operations including Vizag and Chennai, supporting site performance, quality, compliance, safety and operational improvement.

Arul Ramadurai, Chief Commercial Officer (CCO)

Supports customer partnerships, commercial strategy and business growth across Axplora's markets.

David Gonzalez, PharmaZell BU President, Sales

Supports PharmaZell business growth, portfolio development, customer-focused operations and international market expansion.

MESSAGE FROM LEADERSHIP

In 2025, sustainability continues to be an important part of how we manage and grow PharmaZell (India) Private Limited across both our Vizag and Chennai sites. As part of the Axplora Group, we remain committed to responsible manufacturing that balances business growth with environmental stewardship, social responsibility, and strong governance. Our focus is on delivering high-quality products and dependable operations while steadily integrating sustainability into the way we plan, perform, and improve. Our both sites contribute to a broader global manufacturing network supporting small-molecule generic APIs, amino acids, and intermediates, with Vizag focused on process development and commercial production, and Chennai bringing strong capabilities in technologies such as electrochemical reactions and hydrogenation.

As we respond to evolving regulatory and environmental expectations, we are increasing our focus on resource efficiency, process optimization, solvent recovery, emissions management, and responsible waste handling. At the same time, we remain committed to protecting the health, safety, and well-being of our employees, fostering an inclusive and ethical workplace, and strengthening engagement with our partners and local communities. These priorities reflect our belief that sustainable growth must be built on accountability, transparency, and continuous improvement.

We are also advancing our climate journey in alignment with the Group's ESG ambition. Our Group ESG team has taken up the SBTi submission and is currently awaiting evaluation, and we remain committed to supporting this process and contributing meaningfully to the Group's decarbonization pathway. As we move forward, our aim is to continue building PharmaZell (India) Private Limited as a reliable, responsible, and future-ready manufacturing partner for all our stakeholders.

Anant Barbadikar
Managing Director
PharmaZell (India) Private Limited

From the desk of
Our Global Sustainability Head

At Axplora, we see sustainability as a catalyst for innovation, trust, and long-term impact.

Our ESG ambition is to lead with purpose :

We are working to reduce our environmental footprint, protect people, and build responsible partnerships at every stage of the value chain. This includes how we work with our clients.

We are committed to maintaining the highest standards of safety every day. We are actively reducing our carbon emissions, improving resource efficiency and embedding ESG into every decision — from supplier selection to customer collaboration.

We also strive to create a culture rooted in ethics, inclusion, and accountability. Together, we are building a more sustainable future – for our planet, our patients, our partners, and for one another.

Françoise Durand-Rivoire

Global Head of ESG & Sustainability

Laying the Pathway to a Sustainable future

Dec 2021 — ESG introduced in senior leadership reviews

Jun 2021 — Initiated solvent recovery tracking

Nov 2020 — First estimate of site-level Scope 1 & 2 GHG emissions

Sep 2022 — Achieved ISO 9001, 14001, and 45001 certifications

Nov 2022 — Started site-wide energy & waste intensity tracking

Jan 2023 — Onboarded into Ecovadis ESG framework

Dec 2023 — Completed Scope 1 & 2 GHG emissions mapping

Aug 2023 — Received CII Safety Gold Award

Mar 2023 — Improved solvent reuse by 18%

Feb 2024 — Achieved landfill-free status (non-hazardous waste)

Apr 2024 — ESG dashboard and governance system implemented

May 2024 — Conducted first Responsible Care® audit; site designated a Responsible Care logo Holding Company

Oct 2024 — Started Scope 3 emissions calculation

Sep 2024 — Earned Ecovadis Silver Rating (Top 15% globally)

Jun 2024 — Achieved 5 years LTI-free

Nov 2024 — Completed ESG audits along with HSE for 3 critical suppliers

Dec 2024 — Achieved assurance for Scope 1, 2 & 3 emissions

Apr 2025 — Responsible Care logo certification

Dec 2025 — Decarbonization roadmap developed
SBTi targets submitted and under evaluation

Reporting Period, Frequency

This Sustainability Report presents the environmental, social and governance performance of PharmaZell (India) Private Limited covering the calendar year 2025 (1 January 2025 to 31 December 2025). The report includes disclosures related to the Company's two Indian manufacturing sites located at Vizag and Chennai, and highlights key initiatives, progress, and management approaches adopted during the reporting period.

The report is prepared as part of PharmaZell (India) Private Limited's commitment to transparency, responsible business practices, and continuous improvement in sustainability performance. It reflects the Company's efforts to integrate sustainability into operations in alignment with the broader ESG direction of the Axplora Group. This report is intended to be issued on an annual basis.

U.N. Sustainable Development Goals – CY 2025

PharmaZell (India) Private Limited aligns its sustainability approach with relevant United Nations Sustainable Development Goals (SDGs) that are material to its business operations, employees, communities and value chain. Through focused environmental stewardship, responsible manufacturing, employee wellbeing, ethics and community engagement initiatives, the Company contributes to multiple SDGs across its Vizag and Chennai operations.

SDG 3 – Good Health and Well-being
- Occupational health and safety programs for employees and contract workforce
- Periodic health monitoring, workplace hygiene and wellbeing initiatives
- Safety awareness, training, risk assessments and incident prevention measures

SDG 4 – Quality Education
- Employee training and capability development programs
- Skill enhancement, GMP and compliance awareness programs
- Learning initiatives to strengthen technical competencies

SDG 6 – Clean Water and Sanitation
- Water conservation and optimization initiatives at site level
- Wastewater management and responsible disposal practices
- Promotion of sanitation, hygiene and good housekeeping across facilities

SDG 7 – Affordable and Clean Energy
- Increased focus on renewable power sourcing and energy efficiency
- Reduction in conventional fuel dependency through operational improvements
- Energy-saving projects and monitoring of energy consumption trends

SDG 8 – Decent Work and Economic Growth
- Employment generation and fair workplace practices
- Focus on employee engagement, capability building and safe working conditions
- Target of 100% living wages for direct employees and skilled contract employees, while maintaining wages above statutory minimum requirements for remaining contract manpower.

SDG 9 – Industry, Innovation and Infrastructure
- Support for innovation, digitalization and productivity enhancement
- Strengthening sustainable industrial infrastructure across sites

SDG 11 – Sustainable Cities and Communities
- Community development initiatives through CSR and local engagement programs
- Support for nearby communities through need-based social initiatives

SDG 12 – Responsible Consumption and Production
- Waste minimization, recycling and responsible disposal practices
- Continuous efforts toward resource efficiency in manufacturing operations

SDG 13 – Climate Action
- Tracking and management of Scope 1, Scope 2 and Scope 3 emissions.
- Decarbonization planning aligned with Axplora Group climate direction.
- Implementation of emission reduction and energy transition initiatives

SDG 16 – Peace, Justice and Strong Institutions
- Policies and practices related to ethics, anti-corruption, compliance and whistleblower mechanism.
- Human rights, grievance redressal and governance-related controls.
- Strengthening responsible and transparent business conduct

SDG 17 – Partnerships for the Goals
- Engagement with suppliers, consultants, industry bodies and stakeholders on ESG topics
- Collaboration for emissions data, sustainability improvements and responsible sourcing
- Alignment with Axplora Group's broader ESG and sustainability framework

Performance Highlights

Health & Safety

- Over 1.8 million safe working hours were recorded across Vizag and Chennai in CY 2025, with zero fatalities and zero lost-time injuries (LTI).
- Five non-lost-time accidents (NLTA) were recorded across operations, with continued focus on prevention and safe work practices.
- ISO 45001:2018 certified occupational health and safety management systems were maintained across both sites.
- Periodic occupational health surveillance and health check-ups were conducted to support employee wellbeing.

Environment

- Approximately 8.45 million kWh of renewable energy was generated / sourced across PharmaZell India in CY 2025.
- Total GHG emission intensity reduced from 32.52 tCO_2e/MT in CY 2024 to 25.61 tCO_2e/MT in CY 2025, reflecting improved emissions performance.
- Scope 3 emission intensity reduced from 20.57 tCO_2e/MT in CY 2024 to 15.85 tCO_2e/MT in CY 2025.
- The transition from diesel to PNG supported the reduction of direct fuel-related emissions, while cleaner energy adoption continued to strengthen.
- Water reuse, recycling and waste recovery initiatives were further strengthened across both sites during the year.

Social

- 100% completion of policy awareness and compliance training was achieved across key topics including ESG, Human Rights, Anti-Corruption, Code of Business Conduct, Supplier Code of Conduct, Cybersecurity, and Speaking Up / Whistleblowing.
- CSR and community initiatives continued across focus areas such as education, safety, environment, and community development.
- Supplier engagement was strengthened through sharing of the Supplier Code of Conduct and ongoing supplier ESG / CSR assessment activities.
- Employee capability building continued through structured learning, cross-functional training, and awareness initiatives across sites.

Governance

- Zero confirmed incidents related to corruption, whistleblower complaints, or major compliance violations were reported during CY 2025.
- 100% training completion was achieved across the identified governance and compliance policy areas.
- PharmaZell India continued to strengthen its ESG governance framework in alignment with GRI, Responsible Care, and Axplora group policies.
- The organization continued its sustainability maturity journey through EcoVadis improvement actions, emissions assurance, supplier engagement, and policy deployment.

Who we are??

PharmaZell (India) Private Limited

PharmaZell (India) Private Limited, an Axplora company, is a manufacturing organization serving the pharmaceutical industry through its operations in India. The Company operates two manufacturing sites located at **Vizag** and **Chennai**, contributing to the production network of the Axplora Group and supporting customer requirements with a focus on quality, compliance, reliability and operational excellence.

As part of a global group serving the life sciences sector, PharmaZell (India) Private Limited is committed to responsible manufacturing practices and continuous improvement across environmental, social and governance dimensions. The Company's operations are guided by a strong emphasis on quality, safety, sustainability, ethics and performance, while supporting the long-term needs of customers and other stakeholders.

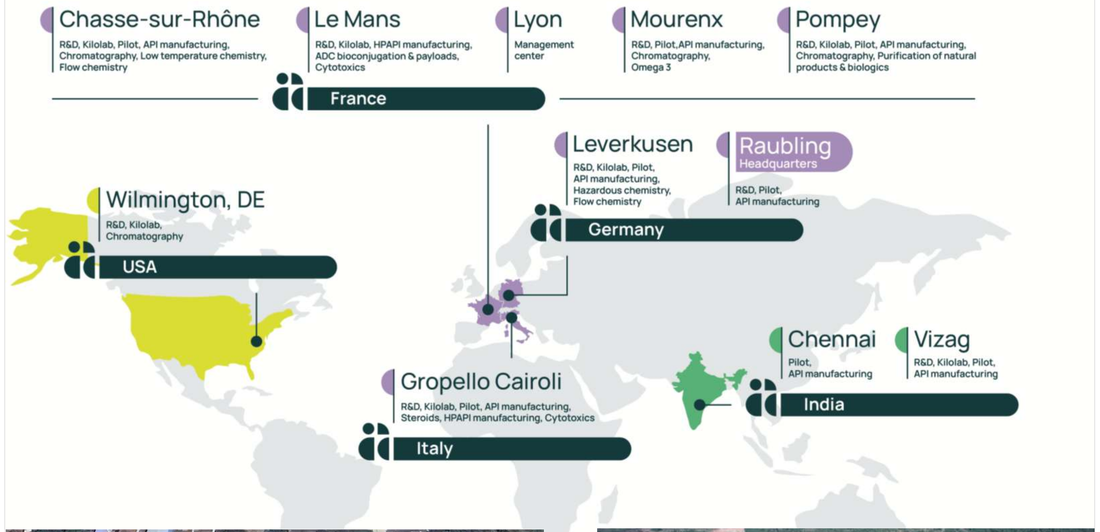
Our facilities in India are supported by teams across manufacturing, quality, engineering, technical services, supply chain, ESG, management systems and support functions. Through these integrated capabilities, the Company continues to strengthen operational resilience, compliance and sustainable growth.

PharmaZell (India) Private Limited also recognizes that sustainable business performance goes beyond production. Accordingly, the Company focuses on areas such as resource efficiency, employee wellbeing, climate action, community engagement, responsible procurement and strong governance practices. These efforts are aligned with the wider sustainability direction of the Axplora Group and support the Company's ambition to create long-term value responsibly.

At PharmaZell (India) Private Limited, we are committed to operating responsibly by integrating quality, safety, sustainability, ethics and continuous improvement into our daily operations. Our approach reflects our responsibility toward employees, customers, communities and the environment, while remaining aligned with the broader ESG ambitions of the Axplora Group.

Our Manufacturing Footprint

PharmaZell (India) Private Limited operates two manufacturing sites in India, located in Vizag, Andhra Pradesh and Chennai, Tamil Nadu. These sites are dedicated to the development and manufacturing of 25+ small-molecule generic APIs, amino acids, and intermediates, supporting both commercial production and customer-focused manufacturing services within the Axplora Group. The Vizag site includes process development, pilot-scale and large-scale commercial production capabilities, as well as a cGMP kilo laboratory, while the Chennai site provides expertise in small-molecule APIs, amino acids and intermediates, with specialized capabilities in electrochemical reactions and hydrogenations. Together, these facilities form PharmaZell's manufacturing footprint in India and support Axplora's global API and CDMO network.



PharmaZell, Chennai Site

PharmaZell, Vizag Site

Our Core Values

People first

We place our people at the heart of our operations by fostering a safe, inclusive, and growth-oriented workplace. Through continuous learning, employee empowerment, and mutual respect, we aim to build a culture that supports both individual well-being and organizational excellence.

- Strong focus on GMP and cross-functional capability building
- Safe and healthy workplace with a zero-harm mindset
- Commitment to diversity, inclusion, and employee engagement

Patient Centric Quality

Quality is central to everything we do. Our systems and processes are designed to ensure that products consistently meet applicable regulatory, safety, and customer requirements, with strong emphasis on compliance, traceability, and reliability.

- Robust quality systems aligned with global regulatory expectations
- Focus on product safety, compliance, and traceability
- Ongoing audits and strong data integrity practices

Trusted Partnerships

We build long-term, transparent relationships with customers, suppliers, and other stakeholders based on trust, accountability, and shared value. Our approach emphasizes ethical business conduct, responsible sourcing, and collaboration across the value chain.

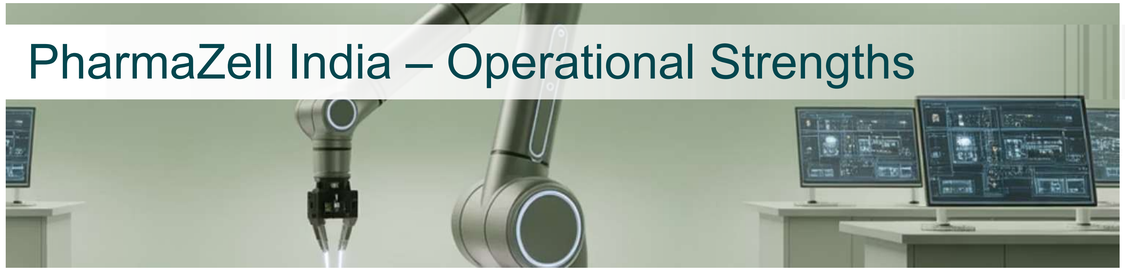
- Supplier ESG assessment and responsible onboarding practices
- Transparent project management across the product lifecycle
- Strong customer relationships built on reliability and performance

Sustainable Innovation

We promote innovation that improves operational efficiency while reducing environmental impact. Through process optimization, resource efficiency, and sustainable practices, we aim to support responsible growth and long-term resilience.

- Solvent recovery improvement and better waste segregation practices
- Energy efficiency upgrades and process optimization initiatives
- Alignment with decarbonization goals and environmental performance monitoring

PharmaZell India – Operational Strengths



Global Regulatory Compliance

- USFDA, PMDA, WHO, CDSCO and other regulatory inspections
- ISO 9001, ISO 14001 and ISO 45001 certified systems
- Strong audit readiness and quality management practices

API Manufacturing Experience / Excellence

- Strong experience in generic API and advanced intermediate manufacturing
- High-volume manufacturing capability across Vizag and Chennai
- Scale-up from kilolab / pilot scale to commercial production

Operational Excellence and Resource Efficiency

- Lean projects and continuous improvement initiatives across operations
- Solvent recovery, energy conservation and resource optimization measures
- Process efficiency, water recycling and waste value recovery practices

Carbon Footprint Reduction

- Renewable energy adoption across sites
- Carbon footprint reduction initiatives in progress
- Energy efficiency, solvent recovery and emission reduction measures implemented

Expert Team and Skill Development

- Skilled workforce across different functions
- Regular training in GMP, safety, EHS, and SOPs
- Cross-functional training, knowledge-sharing, and capability development culture

Project Management and Manufacturing Flexibility

- Scale-up and technology transfer support across product life cycles
- Dedicated project execution and risk-based planning approach
- Flexibility for pilot, multiproduct, and commercial manufacturing campaigns

Ethical Governance & ESG Alignment

- ESG goals set under Axplora roadmap
- Aligned with GRI and EcoVadis standards
- Supplier ESG assessments and Scope 3 readiness initiatives in progress,

Services Portfolio

PharmaZell India, an Axplora company, supports small molecule API manufacturing through integrated capabilities across development, scale-up, analytical support and commercial production. With manufacturing sites at Vizag and Chennai, we serve pharmaceutical customers through cGMP operations, strong quality systems, regulatory readiness and responsible manufacturing practices.

Our capabilities span process development, optimization, analytical method support, technology transfer, scale-up and commercial API manufacturing. Both sites operate with a focus on quality, safety, compliance, environmental responsibility and continuous improvement, supporting Axplora's position as a trusted manufacturing partner to pharmaceutical and biotech companies.

Our Business solutions

Development & Technical Support

- Process development and optimization
- Feasibility studies and DoE
- Analytical method development, validation and transfer
- Impurity synthesis and profiling
- Scale-up support from laboratory to pilot and commercial scale
- Technology transfer and process validation support

Operational & Compliance Support

- GMP and regulatory readiness
- Quality assurance and audit preparedness
- EHS and process safety systems
- Warehousing, logistics and supply chain support
- Customer communication and project coordination
- Continuous improvement and operational excellence

Commercial Manufacturing

- API and advanced intermediate manufacturing
- cGMP production blocks
- Multipurpose manufacturing capabilities
- Commercial scale production from kilograms to metric tons
- Solvent recovery and utility systems
- Quality-controlled supply to pharmaceutical customers

Development & Technical Capabilities

PharmaZell India's technical capabilities support the development, optimization and scale-up of small molecule APIs and advanced intermediates. The Vizag site has dedicated R&D and kilolab capabilities supporting feasibility studies, process development, analytical method development, validation and transfer, impurity synthesis and process optimization. These capabilities help bridge early-stage development with reliable scale-up and commercial manufacturing.

Process Development and Optimization

Our process development activities focus on improving process understanding, robustness, scalability and manufacturing efficiency. Technical teams work on feasibility studies, DoE, process optimization, impurity control and technology transfer to support safe and compliant API manufacturing.

Analytical Development and Quality Support

Analytical capabilities include method development, validation, transfer, in-process testing, raw material release, finished product testing and stability studies. The sites are equipped with analytical techniques such as HPLC, UPLC, GC, GC-HS, LC-MS, GC-MS, FTIR, UV, Karl Fischer, titration and other chemical and physical testing methods.

Scale-up and Technology Transfer

We support scale-up from laboratory and kilolab stages to commercial manufacturing. The Vizag site provides R&D, kilolab and commercial production capabilities, while Chennai supports pilot scale and large-scale manufacturing. This enables controlled transfer from development batches to validated production processes.

The Vizag site has more than 15 years of experience in API manufacturing and produces more than 15+ APIs and advanced intermediates every year. The site has around 6.2 hectares of total surface area, over 285 employees and 303 m^3 reactor capacity. Vizag supports R&D laboratories, kilolab scale operations, commercial scale manufacturing, multipurpose production and back-integration of RSM and cGMP intermediates.

The Chennai site has more than 25 years of experience in API manufacturing and produces 15+ APIs and advanced intermediates every year. The site has 2.1 hectares of total surface area, over 250 employees, 180 m^3 reactor capacity and 7 cGMP production blocks. Chennai also has specific technology capability in electrochemistry.

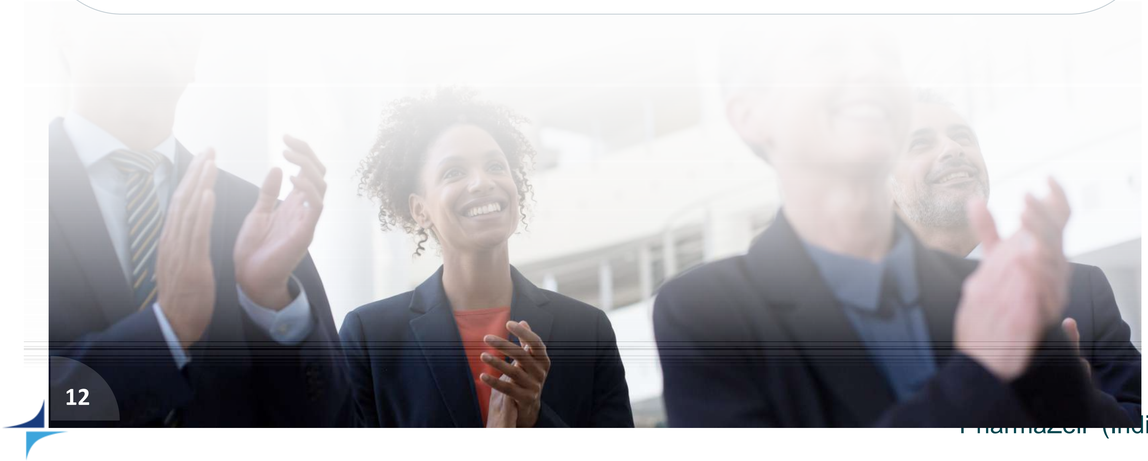
Site Recognitions

Safety Recognition - Vizag

The Vizag site achieved a significant milestone by receiving the Gold Award for Industrial Safety Leadership – Category 1 at the CII Andhra Pradesh Industrial Safety Excellence Awards 2025. This recognition reflects the site's strong safety culture, focus on risk prevention and continuous improvement in safety performance.

Safety Recognition – Chennai

The Chennai plant was conferred the State Safety Award by the Directorate of Industrial Safety & Health (DISH), Government of Tamil Nadu. The award recognizes factories that demonstrate exemplary safety performance and long accident-free man-hours, highlighting Chennai's sustained commitment to workplace safety, preventive practices, and continuous safety awareness.



Workplace Recognition

Axplora India achieved a hat-trick recognition as Most Preferred Workplace. This recognition reflects the strength of the company's people-centric culture, inclusive workplace practices and continued focus on employee engagement across Indian sites.

EcoVadis Silver Rating

PharmaZell / Axplora's sustainability performance was recognized with an EcoVadis Silver Rating in 2025, reflecting progress across environment, labour & human rights, ethics and sustainable procurement and placing us in top 15% companies under sustainability rating

International Safety Award – British Safety Council

PharmaZell received the British Safety Council International Safety Award 2026 for its commitment to health, safety and wellbeing during 2025. The application scored 39 out of 50, qualifying under the Merit Winner category. This recognition reinforces the organization's continued focus on workplace safety, risk prevention and employee wellbeing.

Memberships, Commitments and Disclosures

CDP Disclosure :

Axplora Group disclosed environmental information through CDP in 2025, covering climate change and water security. The 2025 CDP scorecard reflects private scores of D for Climate Change and D for Water Security, with category-level disclosures covering environmental policies, governance, risks and opportunities, emissions, targets, value chain engagement and water accounting.

Axplora Group GmbH

CDP

UN Global Compact

Axplora Group confirmed its support for the Ten Principles of the United Nations Global Compact covering human rights, labour, environment and anti-corruption. This commitment reinforces the integration of responsible business principles into strategy, culture and day-to-day operations, while supporting broader contribution to the United Nations Sustainable Development Goals.

UN GLOBAL COMPACT
United Nations Global Compact

SBTi

Axplora Group has submitted its climate targets to the Science Based Targets initiative (SBTi) **and the submission is under evaluation.**

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

PSCI

Member of a collaborative platform committed to promoting transparency and sustainability in pharma supply chains.

PSCI PHARMACEUTICAL SUPPLY CHAIN INITIATIVE
Building responsible supply chains

Responsible Care

PharmaZell is certified as a Responsible Care Holding Company, reinforcing our commitment to responsible chemical management, workplace safety, environmental protection, emergency preparedness and continual improvement across operations.

We achieved Responsible Care® Logo Certification from the Indian Chemical Council (ICC), valid from May 2025 to April 2028.

The certification reflects our commitment to responsible chemical management, employee health and safety, process safety, product stewardship, pollution prevention, emergency response and continual improvement.

The certification audit reviewed the site's EHS systems, operational controls, compliance practices and sustainability initiatives. Recognized strengths included top management commitment, structured safety monitoring, ESG integration into management reviews, CSR initiatives and implementation of key safety and environmental controls. Improvement actions have been identified to further strengthen process safety, emergency preparedness, supplier stewardship and pollution prevention.

Most Preferred Workplace 2025–26

PharmaZell was recognized as a Most Preferred Workplace third time in a row, reflecting people-focused practices, employee engagement and workplace culture.

MARKSMEN DAILY
MOST PREFERRED WORKPLACE 2025-26
CERTIFIED™
MANUFACTURING
4TH EDITION

Certifications, standards and Regulatory accreditations

PharmaZell India maintains a strong certification and regulatory compliance framework across Vizag and Chennai sites. Our management systems support quality, environmental performance, occupational health and safety, responsible procurement, and GMP readiness. The sites are regularly assessed through certified management system audits, customer audits, and regulatory inspections by national and international authorities.

Category	Standard / Authority	Chennai	Vizag
Management System	ISO 9001 – Quality Management System	🟢	🟢
Management System	ISO 14001 – Environmental Management System	🟢	🟢
Management System	ISO 45001 – Occupational Health & Safety Management System	🟢	🟢
Sustainable Procurement	ISO 20400 – Sustainable Procurement Guidance	🟠	🟠
Regulatory / GMP	RVO (Regierung von Oberbayern) inspection	🟢	🟢
Regulatory / GMP	US FDA - United States Food and Drug Administration	🟢	🟢
Regulatory / GMP	PMDA - Pharmaceuticals and Medical Devices Agency, Japan	🟢	🟢
Regulatory / GMP	ANVISA - Brazil	🟢	🟢
Regulatory / GMP	RVO	🟢	🟢
Regulatory / GMP	CDSCO - Central Drugs Standard Control Organization	🟢	🟢
Regulatory / GMP	WHO –– World Health Organization	🟢	🟢

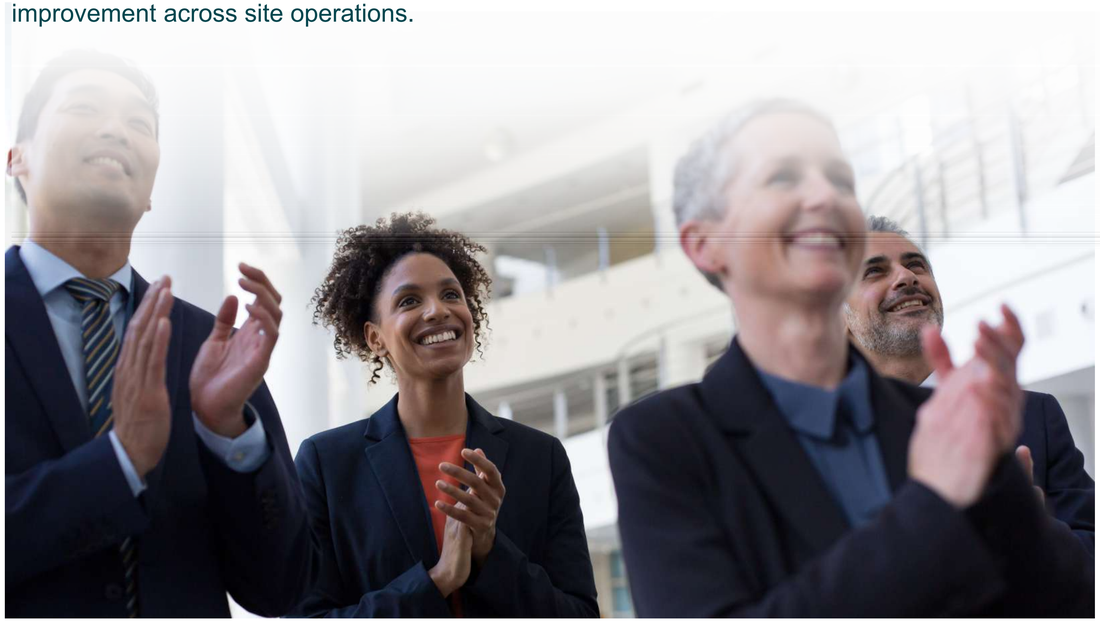
🟢 In place / Approved / Compliant, 🟠 Ongoing / Under process
⚪ Not applicable / Not current

Successful USFDA Inspection Outcomes

Both Vizag and Chennai sites successfully completed routine USFDA inspections in 2025, reflecting the strength of our quality systems, compliance culture, and operational discipline.

Successful RVO Inspection Outcomes

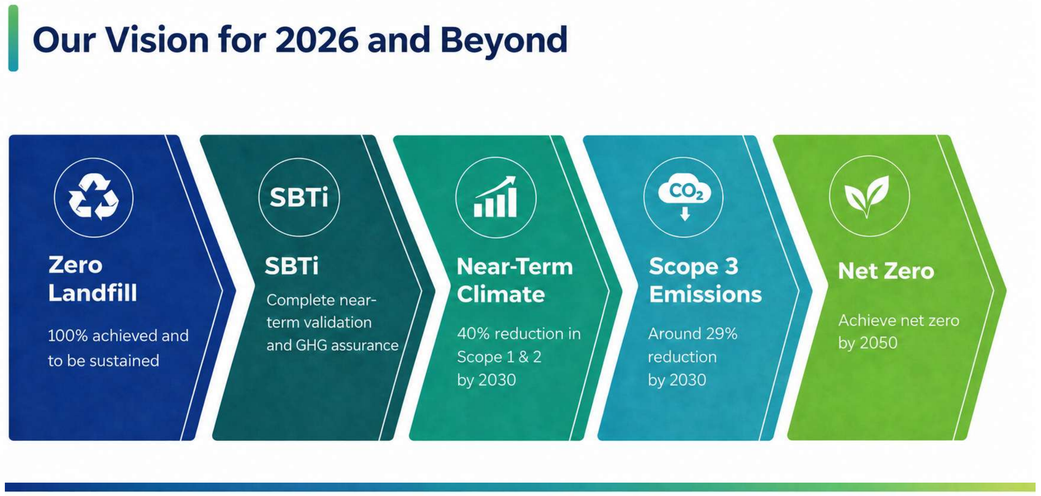
Chennai successfully completed the RVO inspection in 2023, while Vizag successfully completed the RVO inspection in 2025, reflecting the strength of our GMP systems, documentation practices, quality culture and regulatory preparedness. These successful outcomes reaffirm our continued focus on compliance, audit readiness, operational discipline and continuous improvement across site operations.



PharmaZell (India) Private Limited

Our Vision for 2026 and Beyond

Our vision for 2026 and beyond is to strengthen PharmaZell's transition toward more sustainable, efficient, and responsible operations by advancing climate action, improving resource efficiency, enhancing water and waste management, fostering a safe and inclusive workplace, and embedding ESG considerations more deeply into decision-making. All aspirations listed are based on site-level operational priorities at PharmaZell Vizag & Chennai and are aligned with the broader Axplora Group ESG Roadmap. These targets represent a combination of ongoing practices, recent achievements, and forward-looking goals. Metrics and progress are reviewed annually and remain subject to refinement as systems, data quality, and governance processes continue to mature.



From Commitment to Impact: 2025 SDG Progress

SDG Alignment	Focus Area	Target / Commitment	2025 Achievement Status
SDG 3, SDG 8	Health & Safety	Maintain strong safety performance and prevent major injuries	Over 1.8 million safe working hours, zero fatalities and zero LTIs
SDG 8, SDG 1	Fair Compensation & Living Wage	Achieve 100% living wage coverage for direct employees and skilled contract employees; maintain wages above statutory minimum for remaining contract manpower	Target achieved / maintained in CY 2025
SDG 4, SDG 8	Training & Capability Building	Strengthen employee awareness and capability development	100% training completion across ESG, Human Rights, Anti-Corruption, Code of Business Conduct, Supplier Code of Conduct, Cybersecurity and Whistleblowing
SDG 7, SDG 13	Climate Action	Reduce GHG emission intensity and support decarbonization	GHG emission intensity reduced from 32.52 tCO_2e/MT in CY 2024 to 25.61 tCO_2e/MT in CY 2025
SDG 12, SDG 13, SDG 17	Scope 3 Management	Improve Scope 3 tracking and supplier engagement	Scope 3 emission intensity reduced from 20.57 tCO_2e/MT in CY 2024 to 15.85 tCO_2e/MT in CY 2025
SDG 7, SDG 13	Renewable Energy	Increase renewable energy use	Approx. 8.45 million kWh renewable energy generated / sourced
SDG 6, SDG 12	Water Stewardship	Improve water conservation, reuse and responsible wastewater management	Water reuse, recycling and responsible wastewater management initiatives strengthened
SDG 12, SDG 13	Waste & Circularity	Strengthen waste minimization, recycling and recovery	Waste recovery, recycling and solvent reuse initiatives strengthened
SDG 16	Ethics & Governance	Maintain ethical, transparent and compliant business conduct	Zero confirmed corruption, whistleblower or major compliance incidents reported
SDG 12, SDG 17	Responsible Value Chain	Strengthen supplier ESG engagement and responsible sourcing	Supplier Code of Conduct shared and supplier ESG / CSR assessment activities continued
SDG 16, SDG 17	ESG Recognition & Certifications	Strengthen external validation of ESG performance	EcoVadis Silver Rating achieved and Responsible Care Logo Certification obtained

OUR SUSTAINABILITY STRATEGY

Key Topics

Sustainability Approach
Commitments and Targets
Decarbonization and Net zero scenario

Our Holistic ESG Approach

At PharmaZell India, our holistic ESG approach is rooted in Axplora's purpose of delivering sustainable, technologically advanced API products and services for the benefit of **partners, patients, people and the planet**. This foundation reflects our belief that long-term business success is inseparable from environmental responsibility, workplace safety, ethical conduct, and community well-being. Across our Vizag and Chennai manufacturing sites, ESG is not treated as a separate agenda, but as an integral part of how we operate, improve, and create value every day. Axplora describes this as "a strong foundation for partners, patients, people and the planet," and positions sustainability, innovation, and responsible operations as core to the Group's identity.

Environmental Stewardship

Our environmental commitment is guided by the responsibility to reduce the footprint of our operations while supporting efficient and resilient manufacturing. As a part of Axplora Group, our approach is aligned with broader priorities around greenhouse gas reduction, renewable energy use, process efficiency, waste minimization, solvent recovery, and water stewardship. Axplora's ESG framework highlights climate and energy management, waste management, and water management as priority areas, including the use of renewable electricity and innovative process technologies to reduce environmental impact. At PharmaZell India, these priorities translate into practical actions at site level through resource efficiency projects, renewable energy integration, responsible waste management, and continuous improvement initiatives that support both operational excellence and environmental stewardship.

People & Safety

The health, safety, and well-being of our workforce remain central to our ESG journey. We aim to foster a culture in which safety is embedded in day-to-day behavior, leadership engagement, and operational discipline. Axplora's ESG page specifically highlights ongoing actions such as QHSE programs and gemba walks with a "zero accident" objective, alongside structured health and safety practices across production sites. In the same spirit, PharmaZell India promotes safe working conditions, preventive health programs, training, awareness initiatives, and systematic management of occupational health and safety risks. Our goal is to strengthen a resilient and healthy workforce while ensuring that safety excellence remains a shared responsibility across all functions.

Community Impact

Our social responsibility efforts focus on supporting local communities through meaningful engagement and targeted CSR initiatives in areas such as education, health, water, safety, and broader community development. At the same time, we work to build an inclusive and respectful workplace where people are treated fairly and given opportunities to grow. Axplora states that equity, fair treatment, staff training, and career development are important elements of its people approach, and these principles are reflected in how we seek to strengthen our workplace culture in India as well. Through employee engagement, awareness, and local outreach, we aim to contribute to sustainable development both inside and outside our sites.

Ethics & Governance

Our governance approach seeks to reinforce a culture where doing the right thing is embedded in everyday actions, where risks are managed responsibly, and where ESG considerations are increasingly integrated into business planning and performance review. Strong governance forms the fourth pillar of our holistic ESG approach. We recognize that trust is built through integrity, accountability, transparency, and compliance. Axplora's Code of Business Conduct states its commitment to integrity and to offering sustainable services and products benefiting people, partners, patients and the planet. At PharmaZell India, this principle is supported through compliance training, ethical business conduct, structured policies, management systems, and responsible decision-making.

Taken together, these four dimensions represent our integrated ESG framework for PharmaZell India. They reflect our commitment to operating responsibly today while building a stronger and more sustainable business for the future. By aligning local action with Axplora's broader purpose and ESG direction, we aim to contribute meaningfully to the benefit of partners, patients, people and the planet.

Chennai, Quality Control Laboratory

Integrated ESG Commitments and 2025 Progress

At PharmaZell India, sustainability is not a peripheral function, it is a core principle embedded across our operations, infrastructure, culture, and governance. In 2025, we reaffirmed this commitment through recognized third-party validations and systemic upgrades across four key domains:

Safety

- ✓ Anchored by People (GRI 403,404) 5+ year of zero LTI (Lost time accidents)
- ✓ 100% training coverage achieved in Code of Conduct, EHS, and ESG
- ✓ Regular toolbox talks, Safety Gemba rounds, and cross-functional audits conducted
- ✓ Proactive safety measures implemented, including PPE upgrades, safety SOPs, modular extinguishers, and earth monitoring
- ✓ Occupational health performance remained strong.

Sustainability

- ✓ Sustainability at the Core (GRI 302,303,305,306)
- ✓ Scope 1,2 & 3 GHG mapped and assurance obtained for CY 2024 and assurance for CY 2025 is under progress.
- ✓ % reduction in diesel consumption 10.8% in CY 2025 compared with CY 2024
- ✓ Energy intensity of 2025: 12.42 kWh/kg of product with 4.5% reduction compared to CY 2024.

SILVER | Top 15%
ecovadis
Sustainability Rating
JUL 2025

Technology & Infrastructure

- ✓ Technology & Infrastructure (GRI 403-7, 2-25)
- ✓ Upgraded ventilation, solvent storage, safety valves, emergency exits
- ✓ Fire & toxic release safeguards: sprinklers, SCBA checks, buffer rooms, automated control loops
- ✓ SAP implemented at both the sites
- ✓ Digitalization of GMP, quality & compliance reporting
- ✓ Process control upgrades in kilo lab, centrifuge safety, and utility integration

Governance & Culture

Governance and culture are guided by GRI 2-23, GRI 2-24, and GRI 205

- ✓ EcoVadis Silver Rating achieved, placing the organization among the top 15% globally
- ✓ Certified as a Responsible Care Holding Company.
- ✓ ESG KPIs integrated into management reviews
- ✓ Whistleblower platform established through axplora.integrityline.app
- ✓ No whistleblower or corruption incidents reported from 2022 to 2025

Sustainability Commitments and Actions

PharmaZell India supports Axplora Group's climate ambition through site-level decarbonization initiatives at Vizag and Chennai. These actions focus on reducing Scope 1 and Scope 2 emissions through cleaner fuel transition, renewable electricity, energy efficiency, utility optimization and process improvements. The initiatives are aligned with the Group's broader 2030 GHG reduction ambition and the site-level decarbonization roadmap.

Axplora's 2023 baseline shows that GHG emissions are distributed across Scope 1, Scope 2 and Scope 3, with Scope 3 forming the largest share of overall emissions. The Group's 2030 ambition includes reduction opportunities across renewable electricity, fuel-related emissions, process optimization, waste management, supplier management and reuse / recycling initiatives.

Group-Level Climate Context

Axplora's Group-level climate ambition is focused on reducing GHG emissions across Scope 1, Scope 2 and Scope 3 by 2030, using 2023 as the baseline year. The Group roadmap identifies renewable electricity, fuel transition, process optimization, waste management, supplier engagement and material efficiency as key levers for emissions reduction. Scope 1 and Scope 2 reduction opportunities are linked mainly to renewable electricity, fuel and energy supply, while Scope 3 reduction depends significantly on raw materials, waste, transport and supplier decarbonization actions.

Axplora Group Decarbonization Targets

2030 Direction	**Scope 1 & 2** Approx. **40%** absolute reduction ambition
Scope 3	Approx. **29%** absolute reduction ambition
Baseline Year	**2023**
Current SBTi Status	**Committed / Under evaluation**
Long-term ambition	Carbon neutrality / net-zero direction toward **2050**, subject to target validation and roadmap finalization

PharmaZell India's Contribution to the group

PharmaZell India supports Axplora's climate ambition through site-level decarbonization initiatives at Vizag and Chennai. These actions focus mainly on Scope 1 and Scope 2 reduction through fuel transition, renewable electricity, utility optimization and energy efficiency projects.

Milestone

Renewable Electricity Transition

Target Year **2027**

Site
Chennai

Commitment

Already achieved 64% renewable electricity shift, with further transition planned toward a 90% target by 2027.

Why It Matters

Supports decarbonization by increasing renewable electricity use and further reducing Scope 2 emissions.

Status - In Progress

Milestone

Renewable Electricity Transition

Target Year **2027–2029**

Site
Vizag

Commitment

Planned phased transition from 50% to 75% to 100% renewable electricity.

Why It Matters

Supports long-term renewable electricity transition and reduction in Scope 2 emissions.

Status - Planned

Milestone

Target Year **2026–2027**

Cleaner Fuel Transition

Site
Chennai

Commitment

Dual-fuel boiler installation and LPG/PNG transition are progressing.

Why It Matters

Supports cleaner fuel use and helps reduce direct emissions from boiler operations.

Status - In Progress

Milestone

Target Year **2027**

Cleaner Fuel Feasibility

Site
Vizag

Commitment

Diesel-to-PNG feasibility and vendor evaluation are under review.

Why It Matters

Helps assess cleaner fuel transition opportunities for reducing direct emissions.

Status - Under Review

Milestone

Target Year **2026**

MVR Retrofit

Site
Chennai

Commitment

MVR retrofit progressing

Why It Matters

Expected reduction in steam consumption and related fuel emissions.

Status - In Progress

Milestone

Target Year **2027**

Energy Efficiency Optimization

Site
Vizag

Commitment

Boiler efficiency, flue gas monitoring, and chiller optimization initiatives are progressing.

Why It Matters

Supports reduced energy use and operational efficiency improvement.

Status - In Progress

Milestone

Target Year **2026**

Transformer Upgrade

Site
Chennai

Commitment

Transformer upgrade is progressing.

Why It Matters

Reduces dependency on diesel generator operations and improves electrical reliability.

Status - In Progress

Science Based Targets initiative (SBTi): Climate Commitment Under Evaluation

Axplora has formally committed to the Science Based Targets initiative (SBTi), and its greenhouse gas reduction targets are currently under evaluation. The Group's climate ambition uses 2023 as the baseline year and focuses on reducing emissions across Scope 1, Scope 2 and Scope 3 through renewable electricity, cleaner fuel transition, energy efficiency, process optimization, waste management, supplier engagement and material efficiency initiatives. PharmaZell India supports this journey through site-level decarbonization actions at Vizag and Chennai, including renewable power transition, fuel optimization, utility efficiency improvements and long-term operational initiatives aligned with Axplora's broader 2030 climate roadmap.

Net Zero Scenario and Long-Term Decarbonization Roadmap

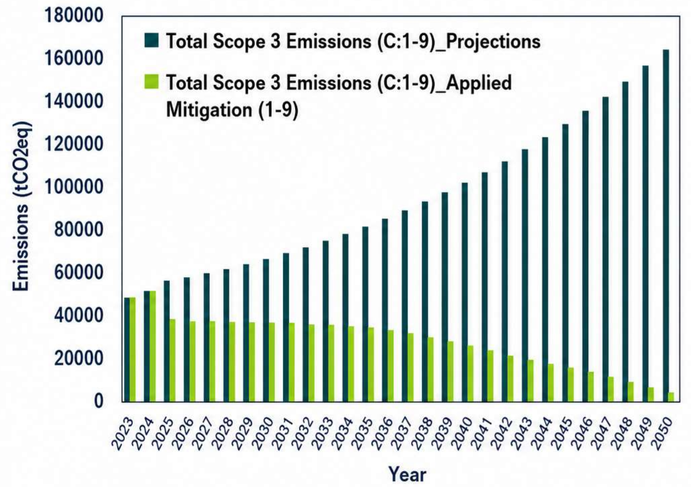
PharmaZell India developed a net zero scenario assessment with third party to evaluate potential long-term decarbonization pathways for Scope 1 and Scope 2 emissions. The assessment considers CY 2023 as the baseline year and evaluates emissions growth under business-as-usual conditions, along with potential reductions through renewable electricity transition, cleaner fuel adoption, energy efficiency, process optimization and long-term operational improvements.

The scenario indicates that Scope 1 and Scope 2 emissions can be significantly reduced through targeted mitigation levers. By 2030, the combined Scope 1 and Scope 2 reduction potential is estimated at 63.11%, with Scope 2 showing the highest reduction potential due to renewable electricity transition. By 2050, the combined Scope 1 and Scope 2 reduction potential reaches 94.72%, driven by full renewable electricity adoption, cleaner energy transition and progressive efficiency improvements.

	Scope 1	Scope2	Total Scope (1+2)
By 2030	17.14%	81.22%	63.11%
By 2050	81.33%	100%	94.72%

The scenario shows that Scope 2 emissions provide the largest near-term reduction opportunity through renewable electricity adoption. Scope 1 reductions are expected to progress more gradually through cleaner fuel transition, efficiency measures, thermal energy reduction and long-term replacement of fossil-fuel-based systems. This supports PharmaZell India's focus on renewable power procurement, cleaner fuel feasibility, energy efficiency and utility optimization across Vizag and Chennai.

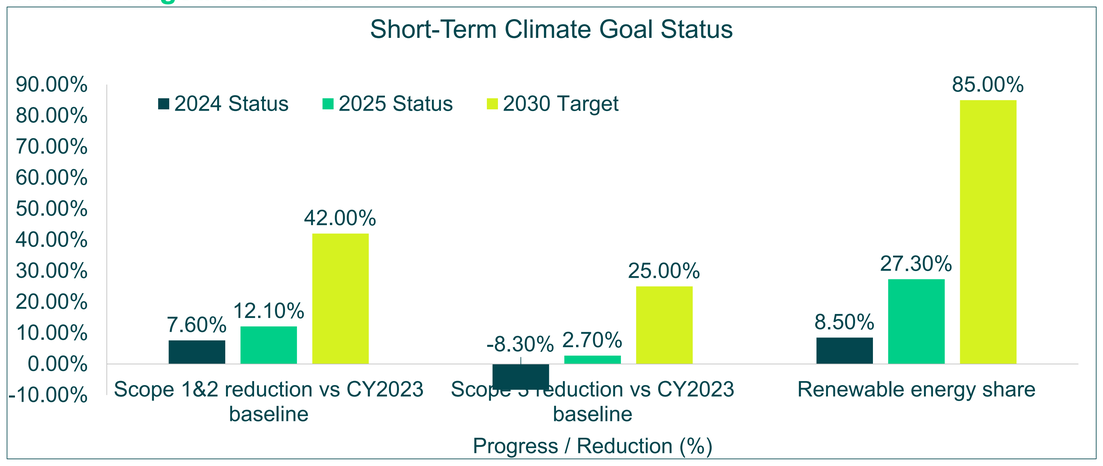
Year	Scope-3 Projections TCO_2e	Net Zero Scenario Scope-3 (Categories 1-9) TCO_2e
2024	43970.97	43970.97
2030	58718.92	28770.02
2035	74627.25	27225.31
2040	96425.20	19620.23
2045	125753.33	11779.55
2050	164200.63	4505.09



Scope 3 emissions represent a significant part of PharmaZell India's value chain footprint. The net zero scenario assessment identifies key Scope 3 reduction levers across purchased goods and services, capital goods, fuel- and energy-related activities, transportation, waste generated in operations, business travel, employee commuting and downstream transportation. The mitigation pathway focuses on supplier engagement, raw material efficiency, green procurement, logistics optimization, co-processing, recycling, reuse, travel optimization and employee commute improvements.

Under the scenario, Scope 3 emissions under business-as-usual conditions may increase with production growth. However, with mitigation actions applied, Scope 3 emissions are projected to reduce substantially over the long term. By 2050, Scope 3 emissions under the mitigation scenario are projected at 4,505.09 tCO_2e, compared with 164,200.63 tCO_2e under the business-as-usual projection.

Short term goals status



The graph shows PharmaZell India's progress against the CY2023 baseline and 2030 targets: 42% reduction for Scope 1&2, 25% reduction for Scope 3, and 85% renewable electricity share by 2030. CY2024 Scope 3 appears negative because emissions increased compared with the baseline year.

RISK MANAGEMENT

PharmaZell (India) Private Limited has established a structured risk management procedure under its Integrated Management System (IMS) to identify, assess and address risks and opportunities arising from organizational context, stakeholder expectations, plant operations, and external and internal issues.

The risk management process is aligned with **ISO 14001:2015, ISO 45001:2018**. It supports systematic evaluation of environmental, occupational health and safety, compliance, operational and business continuity risks, while strengthening business continuity, resilience and responsible decision-making.

Risks are evaluated based on their **likelihood and severity of impact**, enabling the organization to prioritize significant risks and define mitigation measures through the IMS management system and management review process.

Sustainability Considerations in Risk Management

As part of the Integrated Management System risk management process, PharmaZell India reviews organizational context, interested parties, their needs and expectations, and relevant internal and external issues. The assessment considers environmental, social and economic factors to identify risks and opportunities that may affect operations, compliance, HSE performance, stakeholder expectations and business continuity.

Significant risks are prioritized using a structured likelihood and severity-based assessment approach. Risks requiring further action are addressed through defined mitigation plans, with assigned responsibilities, timelines, required resources and effectiveness evaluation mechanisms. The status and effectiveness of actions are reviewed through IMS processes and management review.

Risk Identification Process

The cross-functional team identifies interested parties, their needs and expectations, and relevant internal and external issues. Risks and opportunities are reviewed based on business context, plant operations, compliance obligations and sustainability-related factors.

Risk Management Framework

Stakeholder | Role & Responsibility				
VP – Operations / MR	Overall implementation of the risk management procedure	Provides direction on risk review and mitigation	Supports management review of significant risks	Ensures alignment with IMS requirements
Cross-functional Team	Reviews organizational context	Identifies interested parties and their expectations	Reviews internal and external issues	Identifies risks and opportunities
HODs / Functional Heads	Responsible for timely action on identified risks	Implements mitigation measures	Allocates required resources	Monitors effectiveness of actions
Business Continuity Team	Assesses impact of business interruption scenarios	Coordinates contingency and recovery measures	Supports continuity of critical business processes	Escalates need for above-site support when required
Area In-charges / Risk Owners	Support implementation of mitigation actions	Track status of action plans	Report progress to concerned functional heads	Support effectiveness evaluation

1. Interested Parties & Expectations
2. Internal & External Issues
3. Risks & Opportunities
4. Likelihood × Severity Assessment
5. Mitigation Plan
6. Management Review

Business Continuity and Resilience Planning

PharmaZell has established a Business Continuity Plan (BCP) to provide guidance for continuing operations and remaining resilient during site contingencies. The plan supports prevention, recovery and resilience before, during and after interruption of normal processes. It covers significant points of failure affecting critical business processes, including production planning and execution, quality management and distribution.

The BCP identifies key business interruption scenarios such as power failure, water supply shortage or failure, major utilities breakdown, process equipment failure, effluent treatment / disposal failure, major fire scenarios, natural calamities, supplier failure, IT failure, labour unrest, transportation strike, compliance issues and pandemic. Each scenario is supported by contingency and recovery strategies to reduce disruption and restore operations.

Key Business Risks and Controls

	Description	Potential Impact	Recovery controls
Power Failure	Grid failure, shutdown or local distribution system failure.	All site operations may be affected.	DG sets available for power backup, diesel stock maintained, UPS backup for PLC panels, QC laboratory, IT infrastructure and emergency lighting, liaison with power supply board.
Water Supply Shortage / Failure	Interruption in raw water supply required for manufacturing, utilities and domestic use.	Manufacturing, utilities, toilets, urinals and canteen operations may be affected.	Raw water supply through Ramky, raw water storage, fire water storage and emergency water tanker arrangement if required.
Major Utilities Breakdown	Breakdown of boiler, DG set, cooling tower or other key utilities.	Production stoppage or reduced operating capacity.	Standby equipment, preventive maintenance, certified operators, inspections, local spare availability and hired equipment arrangements if required.
Process Equipment Failure	Failure of key process equipment.	Batch delay or production interruption.	Alternate equipment available for most equipment, preventive maintenance, critical spares and change control if process transfer is required.
Effluent Treatment/ Disposal Failure	Failure or interruption in effluent receiving / disposal by external facility.	Regulatory non-compliance and production stoppage risk.	HTDS and LTDS collection tanks, emergency effluent storage tanks, DG backup for ETP, trained manpower and option to transport wastewater to authorized common ETPs.
Major Fire Scenarios	Fire in warehouse, manufacturing blocks, laboratories, tank farm, record room or electrical substation.	Personnel injury, fire / explosion, property loss, production impact and business interruption.	Fire hydrant system, foam solution, smoke detection, flameproof fixtures, nitrogen blanketing, flame arrestors, ERT, first-aiders, spill kits and mock drills.
Natural Calamities	Flood, cyclone, wind, earthquake or other natural events.	Site access, utilities or operations may be affected.	Onsite Emergency Plan, emergency response coordination, site slope / drainage advantage and local administration support where required.
Supplier Failure	Failure or delay in supply of key materials.	Production stoppage or batch delay.	Raw material planning, sufficient inventory, vendor evaluation and qualification, domestic vendor development and SWOT analysis for KSM / KRM vendors.

	Description	Potential Impact	Recovery controls
IT Failure	Failure of critical IT infrastructure or systems.	Operational disruption, data access issues and communication impact.	Identification of critical IT systems, backup planning, secure access and data retrievability as part of continuity planning.
Hazards from Neighboring Industries	Incident from nearby industrial surroundings.	Potential production stoppage or emergency response requirement.	Fire hydrant systems, firefighting team, fire-resistant construction, boundary wall and mutual aid availability.
Legal/ Reputational Impact	Legal actions, regulatory violations or adverse media coverage.	Financial impact, reputation impact and stakeholder concern.	Insurance coverage, labour law compliance review, statutory compliance systems, HR / HSE coordination with authorities and controlled media communication.
Labour Unrest	Labour disruption or work stoppage.	Stoppage of site activities.	Cordial employee relations, local manpower availability and urgent hiring options if required.
Transportation Strike	Strike or logistics disruption affecting movement of materials or products.	Delay in raw material receipt or finished goods dispatch.	Minimum inventory, service provider selection with wide network and multi-mode shipment options.

	Description	Potential Impact	Recovery controls
Compliance Issues	Regulatory or quality non-compliance observations.	Audit observations, shipment delay, regulatory action or penalties.	Quality systems, SOPs, STPs, BPRs, training, deviation investigation, CAPA, Quality Review Board and management review.
Pandemic	Public health emergency affecting workforce or supply chain.	Workforce shortage, operational disruption and supply chain impact.	Core service identification, staffing arrangements, employee health protection, communication strategy, cross-skilling, IT backup and flexible arrangements.

The Business Continuity Plan strengthens PharmaZell's preparedness to respond to potential business interruption scenarios through defined contingency and recovery measures. By identifying critical processes, assigning functional responsibilities, maintaining backup arrangements, and periodically testing the plan, PharmaZell supports operational resilience, regulatory compliance, employee safety, environmental protection, and continuity of supply to customers.

Process Safety and Environmental Risk Review

Process safety reviews such as HAZOP and LOPA form part of PharmaZell's risk management approach by identifying process-related hazards, assessing potential safety and environmental consequences, and verifying the adequacy of safeguards and protection layers.

PharmaZell applies HAZOP methodology as a structured, team-based approach to identify potential process deviations, evaluate their causes and consequences, and determine whether existing safeguards are adequate or additional controls are required. The review considers impacts on personnel safety, equipment, property, operations, maintainability, product quality and the environment.

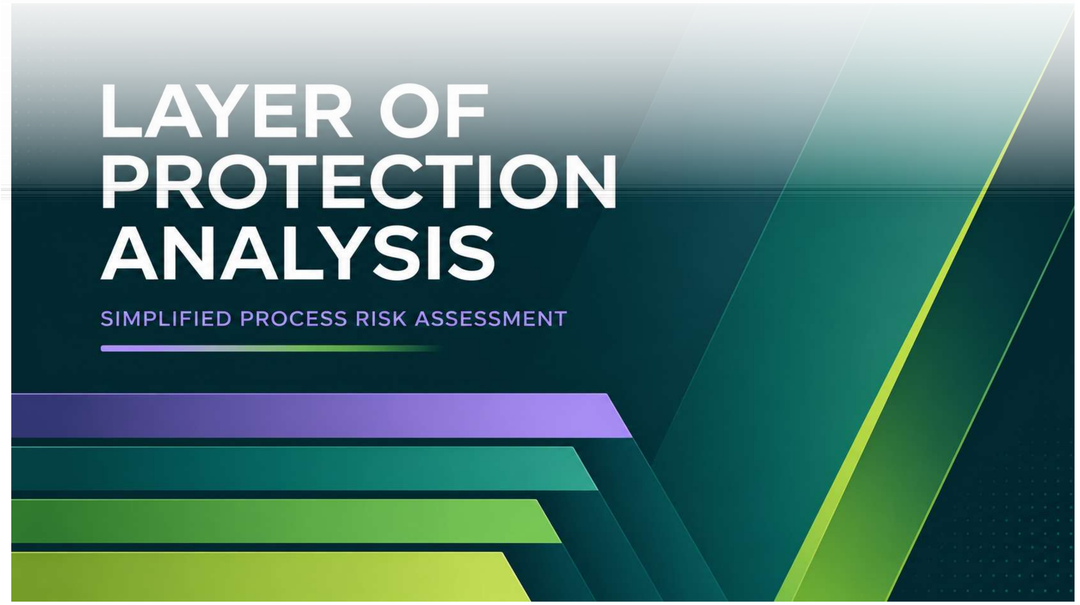
As part of the HAZOP process, environmental consequences are considered wherever deviations may result in chemical spills, leakage, loss of containment, air emissions, effluent release, soil or water contamination, hazardous waste generation or emergency discharge impacts. This supports early identification of process safety and environmental risks and helps define appropriate safeguards, corrective actions and follow-up measures.

Layer of Protection Analysis (LOPA)

Layer of Protection Analysis (LOPA) is a structured risk assessment method used to evaluate selected high-risk process safety scenarios and verify whether existing independent protection layers are adequate to reduce risk. It strengthens risk management by confirming that safeguards such as interlocks, alarms, relief devices, fire protection systems, operator actions and quality checks are sufficient to prevent or mitigate major safety, environmental and operational consequences.

During 2025, PharmaZell conducted a Layer of Protection Analysis (LOPA) for a selected manufacturing process in Production Block. The study was carried out for selected high-risk scenarios identified from the existing HAZOP and focused on evaluating the adequacy of independent protection layers to manage risks to personnel, contractors, the public, environment and operations. The assessment reviewed 11 HAZOP nodes and 15 LOPA scenarios, considering protection layers such as process control functions, alarms with operator response, pressure relief devices, fire detection and suppression systems, and quality control checks.

HAZOP and LOPA strengthen PharmaZell's risk management approach by providing a structured method to identify process deviations, assess their potential safety, operational and environmental consequences, and verify whether existing safeguards are adequate.



Material ESG Topics and Stakeholder Engagement

PharmaZell India I Vizag & Chennai Sites

At PharmaZell (India) Private Limited, stakeholder engagement is an important part of our sustainability approach. We engage with internal and external stakeholders through formal and informal channels to understand their needs, expectations and concerns.

These insights help guide our decisions, strengthen our sustainability strategy, and support responsible operations across our Vizag and Chennai sites.

Customers

- Customer feedback
- Quality / review meetings
- Periodic / as required

Key topics and concerns
Product quality and safety, cost competitiveness, sustainable operations, and on-time delivery

Investors/ Management

- Steering committee meetings
- Presentations / announcements
- Quarterly / periodic

Key topics and concerns
Business performance, growth, governance, and sustainability performance

Suppliers/Vendors

- Phone / email / in-person interaction
- Supplier audits / qualifications
- Regular / periodic

Key topics and concerns
Sustainable procurement, ethical sourcing, quality, timely supply, and supply chain transparency

Employers and Workers

- Intranet / communication
- Learning, development and safety meetings
- Regular / ongoing

Key topics and concerns
Occupational health and safety, training and development, diversity, labor and human rights

Regulators/ Government

- Mandatory submissions
- Meetings, audits and inspections
- As required / periodic

Key topics and concerns
Regulatory and environmental compliance, emissions and pollution control, waste & water management.

Local Communities

- Personal interactions
- CSR initiatives
- Periodic / need-based

Key topics and concerns
Community engagement, local impact, environmental stewardship, and social responsibility

Media

- Press releases
- Corporate communication
- As required

Key topics and concerns
Corporate reputation, transparency, and sustainability communication

Contractors/ Service Providers

- Meetings and safety briefings
- Performance / compliance reviews
- Regular/ as required

Key topics and concerns
Contractor safety, service quality, compliance, and business ethics

Materiality Assessment

At PharmaZell (India) Private Limited, materiality assessment helps identify and prioritize the Environmental, Social and Governance topics that are most relevant to our stakeholders and business operations.
The assessment considers stakeholder expectations, operational priorities, compliance requirements, business continuity, and long-term value creation. The identified material topics guide our sustainability strategy and action plan for Vizag and Chennai sites.

Focus

PharmaZell India continues to focus on the ESG topics that significantly impact our operations and stakeholders.
The identified material topics continue to guide our ESG focus areas, including water management, air emissions and pollution control, hazardous waste management, occupational health and safety, product quality and safety, sustainable procurement, regulatory compliance, labor and human rights, and ethical business conduct.

OUR STAKEHOLDER ENGAGEMENT PROCESS

Identifying Stake holders
- *Listing and recognizing all potential stakeholders who may influence or be influenced by the sustainability initiatives.*

Prioritizing Stakeholders
- *Evaluating the influence and interest of each stakeholder group, and prioritizing them for engagement based on their relevance to sustainability issues.*

Engaging Stakeholders
- *Selecting appropriate methods for engagement, implementing the engagement plan, and gathering stakeholder feedback on sustainability topics.*

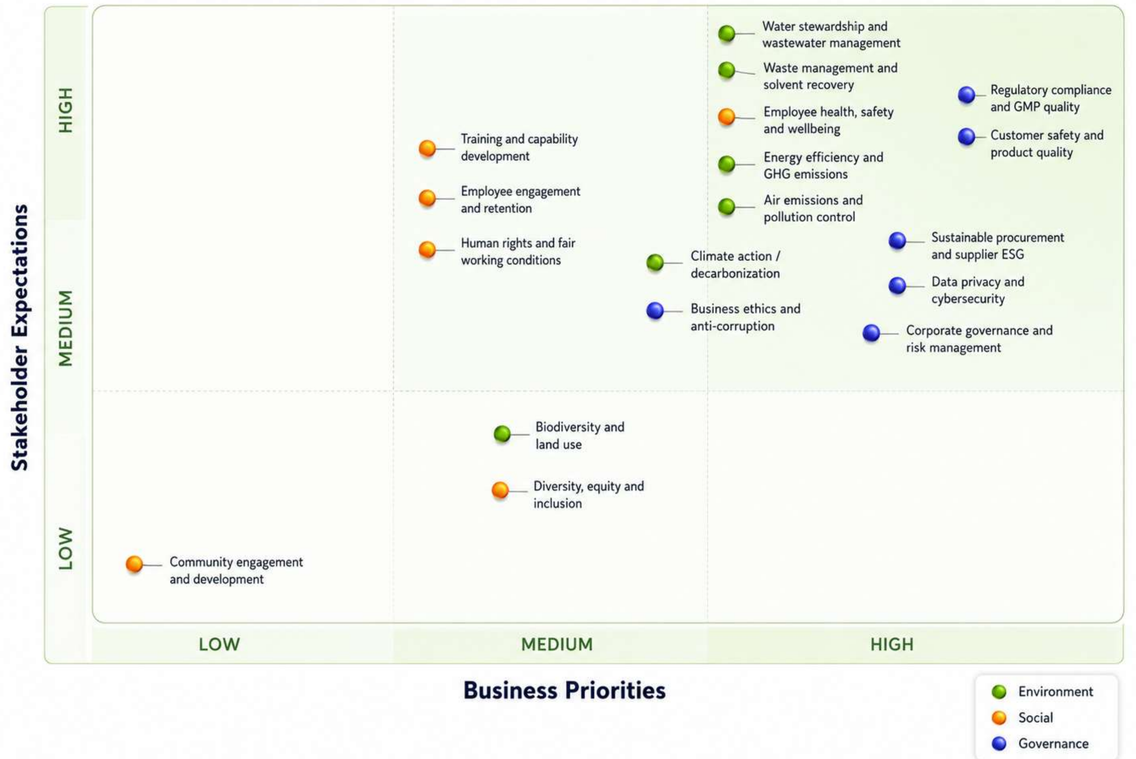
Analyzing Feedback
- *Examining the collected feedback to identify key sustainability issues and assessing the materiality of each issue based on stakeholder input and its potential impact on the organization.*

Communicating Outcomes
- *Reporting back to stakeholders regarding how their feedback has been integrated, ensuring transparency and accountability throughout the communication process.*

Stakeholder inputs were reviewed along with business priorities, compliance obligations, customer expectations, operational risks and ESG performance trends. Based on this review, key material topics were prioritized across Environment, Social and Governance areas. The final materiality matrix reflects the relative importance of each topic to stakeholders and to PharmaZell India's business operations.

ESG Materiality Matrix Overview

ESG Aspect	Impact on Business	Stakeholder Concern	Materiality Level
Energy Consumption & GHG Emissions	Very High	Very High	Very High
Employee Health, Safety & Process Safety	Very High	Very High	Very High
Materials, Chemicals & Waste Management	Very High	Very High	Very High
Product Quality, GMP & Customer Health/Safety	Very High	Very High	Very High
Water & Wastewater Management	High	Very High	Very High
Business Ethics & Anti-Corruption	High	Very High	High
Supplier ESG Due Diligence / Sustainable Procurement	High	High	High
Air Emissions & Pollution Control	High	High	High
Working Conditions, Wages & Welfare	High	High	High
Child Labor, Forced Labor & Human Trafficking Prevention	High	High	High
Regulatory Compliance	Very High	High	Very High
Responsible Information Management / Cybersecurity	High	Medium	Medium-High
Training & Career Management	Medium	High	Medium-High
Diversity, Equity & Inclusion	Medium	Medium	Medium
Biodiversity & Land Use	Medium	Medium	Medium
Community Engagement / CSR	Low	Medium	Low-Medium
Innovation, Digitalization & Green Chemistry	Medium	Medium	Medium-High



Environment

Water Stewardship and Wastewater Management
Monitoring water consumption, reuse, HTDS/LTDS generation, wastewater treatment and compliance.

Energy Efficiency and GHG Emissions
Tracking energy consumption, energy intensity, Scope 1, Scope 2 and Scope 3 emissions, and identifying reduction opportunities.

Waste Management and Solvent Recovery
Managing hazardous and non-hazardous waste, improving segregation, safe disposal, recycling and solvent recovery.

Air Emissions and Pollution Control
Monitoring VOCs, SOx, NOx, particulate matter, scrubbers and compliance with applicable emission limits.

Climate Action and Decarbonization
Implementing renewable energy, cleaner fuel transition, MVR planning and long-term emission reduction actions.

Biodiversity and Resource Conservation
Protecting green cover, supporting plantation activities and improving resource conservation practices.

Social

Occupational Health and Safety
Protecting employees, workers and contractors through safety systems, training, awareness, risk controls and safe work practices.

Product Quality and Safety
Ensuring that products meet quality, safety and compliance requirements to support customer expectations and patient safety.

Labor and Human Rights
Promoting fair labor practices, respect for human rights, ethical workplace conduct and responsible treatment of employees and workers.

Equity and Inclusion
Encouraging a respectful and inclusive workplace where employees are treated fairly and without discrimination.

Community Engagement
Supporting local communities through need-based engagement, CSR initiatives and responsible business practices.

Training and Development
Building employee capability through learning and awareness programs.

Governance

Code of Conduct and Ethics
Guiding employees and business partners to conduct operations with integrity, fairness, transparency and accountability.

Regulatory Compliance
Ensuring adherence to applicable statutory, environmental, safety, quality and operational requirements across Vizag and Chennai sites.

Sustainable Procurement
Integrating environmental, social and ethical considerations into procurement practices, supplier engagement and vendor qualification processes.

Supply Chain Transparency
Strengthening visibility and accountability across the supply chain through supplier interactions, audits, qualifications and responsible sourcing practices.

Data Privacy and Security
Protecting business information, stakeholder data and internal systems through responsible data handling and cybersecurity practices.

ESG Governance
Embedding ESG topics into business priorities, management review processes and sustainability action plans to support long-term value creation.

Business Continuity and Risk Management
Identifying and managing ESG-related risks that may impact compliance, operations, stakeholder confidence and sustainable business performance.

ENVIRONMENT STEWARDSHIP

Key Topics

- Energy Efficiency and Management
- Greenhouse Gas (GHG) Emissions
- Water Stewardship
- Waste Management and Circularity
- Biodiversity

Energy Efficiency and Management

Energy efficiency is a key element of PharmaZell India's environmental stewardship and decarbonization approach. Across Vizag and Chennai, we focus on improving utility performance, reducing energy consumption, increasing renewable energy use, optimizing fuel consumption and lowering energy-related greenhouse gas emissions. Our approach is supported by detailed energy audits, monthly utility reviews, site-level conservation initiatives, capex planning and implementation tracking through management review mechanisms.

We use the energy audits as a structured improvement tool to assess major energy-consuming systems and identify practical opportunities for energy conservation, cost optimization and emissions reduction. The audits review process utilities and equipment such as boilers, chillers, compressors, cooling towers, pumps, motors, AHUs, transformers, condensate recovery systems and other energy-intensive operations. Recommendations from these audits are reviewed for phased implementation through site action plans, monthly review meetings, capex monitoring and operational improvement programs.

Energy Management Focus Areas

Focus Area	Our Approach
Energy Audits and Assessments	Detailed energy audits are used to identify conservation opportunities, evaluate utility performance and develop actionable improvement plans.
Utility Performance Monitoring	Power, steam, chilled water, cooling water, compressed air, nitrogen, fuel and water consumption are monitored through site-level reviews.
Equipment Efficiency Improvement	Boilers, chillers, compressors, cooling towers, pumps, motors, AHUs and transformers are reviewed for efficiency improvement opportunities.
Heat and Condensate Recovery	Waste heat recovery, condensate recovery and steam optimization initiatives are implemented to reduce fuel and thermal energy consumption.
Renewable Energy Transition	Solar power and renewable electricity procurement are pursued to reduce Scope 2 emissions and dependency on conventional electricity.
Process Optimization	Batch cycle reduction, process water reduction, optimized dosing, improved utility operation and operational discipline support energy and resource savings.
Implementation Tracking	Audit recommendations and conservation initiatives are tracked through MRM, capex planning, monthly utility reviews and departmental action plans.

Energy Efficiency Strategies

Energy Management Strategies and Initiatives

Strategy	Examples of Initiatives
1. Equipment Monitoring and Efficiency Improvement	Chiller pump optimization, cooling tower fan blade replacement, compressor efficiency review, AHU optimization and motor efficiency improvements.
2. Process Improvement	Batch cycle optimization, process water reduction, optimized dosing strategy and improved operating practices.
3. Root Cause Analysis	Utility deviations, breakdowns, energy consumption trends and equipment performance are reviewed through site-level engineering and maintenance mechanisms.
4. Variance Analysis	Monthly utility cost and consumption are compared against budgeted values to identify deviations and improvement opportunities.
5. Energy Efficient Technologies	Energy-efficient pumps, VFDs, heat exchangers, solar power, condensate recovery and improved utility systems are considered or implemented.
6. Renewable Energy Usage	Renewable electricity procurement and solar power installation support reduction of Scope 2 emissions.

Details	Vizag	Chennai
Detailed energy audit completed	Yes	Yes
Energy-saving opportunities identified	21	15
Renewable energy progress	In progress	64.2% renewable power consumption in 2025

Transition to Cleaner Energy Sources

PharmaZell India monitors fuel consumption across Vizag and Chennai as part of its energy management and emissions reduction approach. Fuel consumption mainly includes diesel used for operations and company vehicles, along with PNG consumption at Vizag.

Chennai – Fuel Consumption

Fuel Type	Unit	CY 2023	CY 2024	CY 2025
Diesel – Operations	Litres	2,042,695	1,915,592	2,365,696
Diesel – Company Vehicles	Litres	2,754	3,525	3,536
Total Diesel Consumption	**Litres**	**2,045,449**	**1,919,117**	**2,369,232**

Vizag – Fuel Consumption

Fuel Type	Unit	CY 2023	CY 2024	CY 2025
Diesel – Operations	Litres	871,872	483,166	293,026
Diesel – Company Vehicles	Litres	7,371	4,394	3321.4
Total Diesel Consumption	**Litres**	**879,243**	**487,560**	**296,347**
PNG	SCM	-	290,180	588,575

PharmaZell India – Fuel Consumption Trend

Fuel Type	Unit	CY 2023	CY 2024	CY 2025
Chennai – Total Diesel Consumption	Litres	2,045,449	1,919,117	2,369,232
Vizag – Total Diesel Consumption	Litres	879,243	487,560	296,347
Total Diesel Consumption	**Litres**	**2,924,692**	**2,406,677**	**2,665,579**
Total PNG Consumption	**SCM**	-	290,180	588,575

During CY 2025, total diesel consumption across PharmaZell India increased by approximately 10.8% compared with CY 2024, mainly due to higher operational diesel consumption at the Chennai site.

Chennai's diesel consumption increased by approximately 23.5% compared with CY 2024 due to operational requirements.

In contrast, Vizag continued to show a significant reduction in diesel consumption, with an overall reduction of approximately 66.3% from CY 2023 to CY 2025. Compared with CY 2024, Vizag's diesel consumption reduced by approximately 39.2% in CY 2025. PNG consumption at Vizag increased in CY 2025, supporting the site's cleaner fuel transition efforts.

Energy Consumption within the Organization

Site	Unit	CY23	CY24	CY25
Chennai – Total Energy Consumption including Solar	kWh	11,830,054	11,948,210	13,090,370
Vizag – Total Energy Consumption including Solar	kWh	15,871,400	15,851,000	17,853,018
PharmaZell India – Total Energy Consumption	kWh	**27,701,454**	**27,799,210**	**30,943,388**

Renewable Energy Consumption

Site	Unit	CY23	CY24	CY25
Chennai – Total Renewable Energy Consumption	kWh	2,056	2,297,821	8,401,211
Vizag – Total Renewable Energy Consumption	kWh	53,224	53,143	50,418
PharmaZell India – Total Renewable Energy Consumption	kWh	**55,280**	**2,350,964**	**8,451,629**

Renewable Energy Share

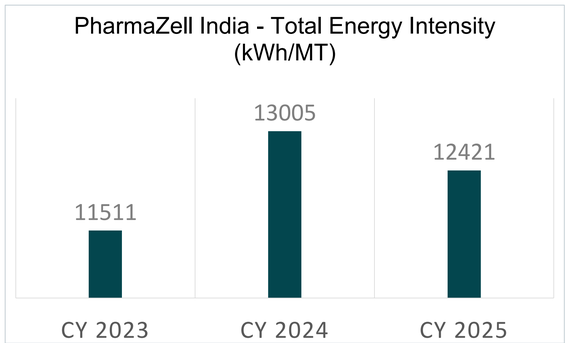
Site	CY23	CY24	CY25
Chennai	0.02%	19.23%	64.18%
Vizag	0.34%	0.34%	0.28%
PharmaZell India	**0.20%**	**8.46%**	**27.31%**

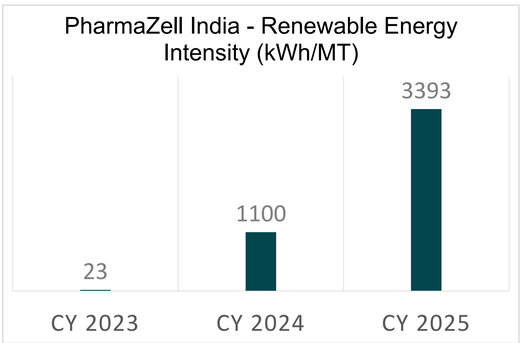
During CY 2025, PharmaZell India's total energy consumption across Vizag and Chennai was 30.94 million kWh, compared with 27.80 million kWh in CY 2024. The increase was mainly driven by higher operational requirements and increased production activities across both sites. At the same time, renewable energy consumption increased significantly from 2.35 million kWh in CY 2024 to 8.45 million kWh in CY 2025, improving PharmaZell India's renewable energy share from 8.46% to 27.31%.

Chennai showed a major improvement in renewable energy consumption, increasing its renewable energy share from 19.23% in CY 2024 to 64.18% in CY 2025, supported by renewable electricity adoption and solar power initiatives. Vizag's renewable energy share remained limited during the reporting period at 0.28%; however, further renewable electricity transition at Vizag is targeted for 2026.

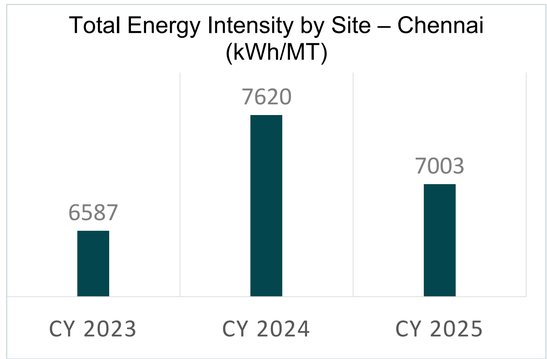
PharmaZell India continues to strengthen its transition toward cleaner and more efficient energy sources through renewable electricity adoption, solar power generation, fuel optimization and site-level energy conservation initiatives. The intensity trends show that renewable energy intensity improved significantly at the India level, mainly driven by Chennai's increased renewable electricity share, while Vizag demonstrated a clear reduction in diesel intensity supported by increased PNG usage. These site-specific pathways reflect our practical approach to decarbonization, where each site focuses on the most relevant opportunities based on its operations, utility systems and energy mix.

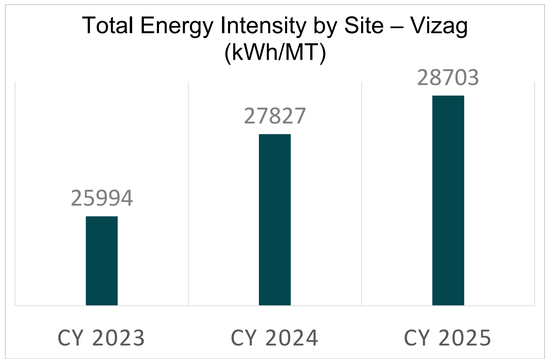
PharmaZell India: Total Energy Intensity and Renewable energy intensity



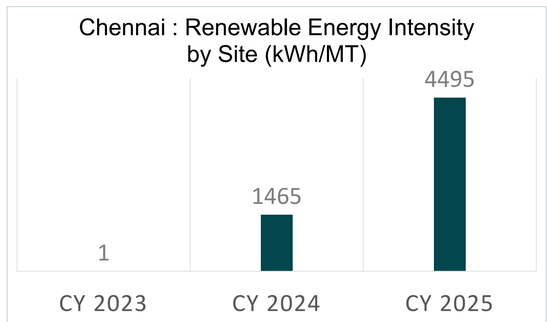


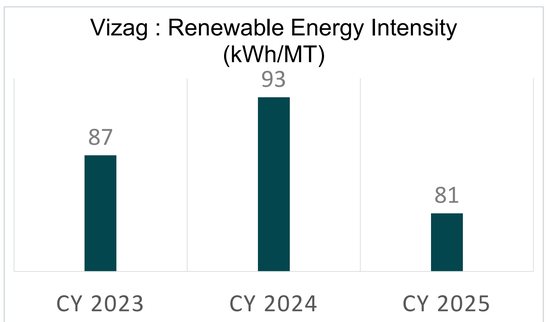
Energy intensity by site



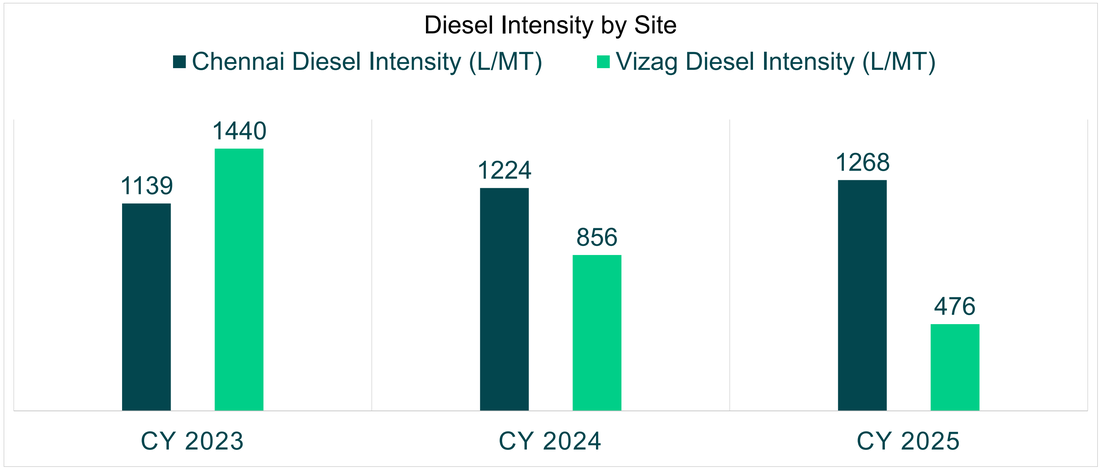


Renewable Energy intensity by site

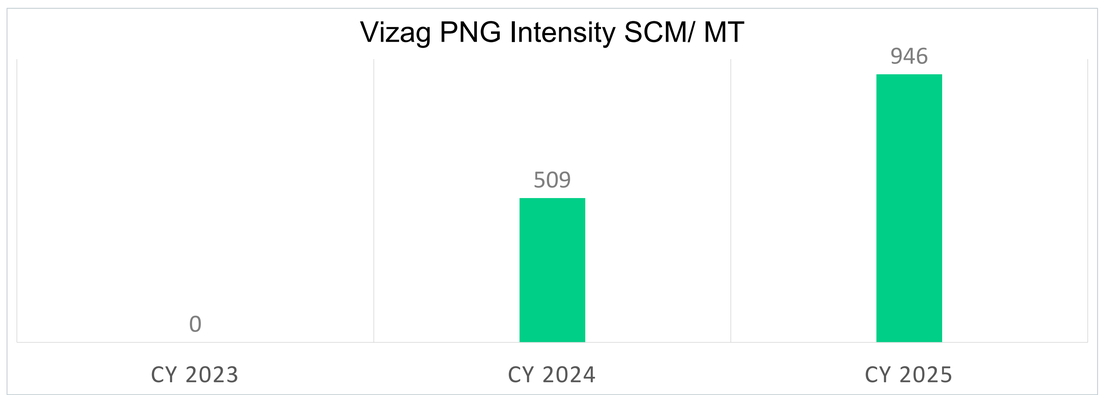




Site-wise: Diesel Intensity



Vizag site : PNG Intensity

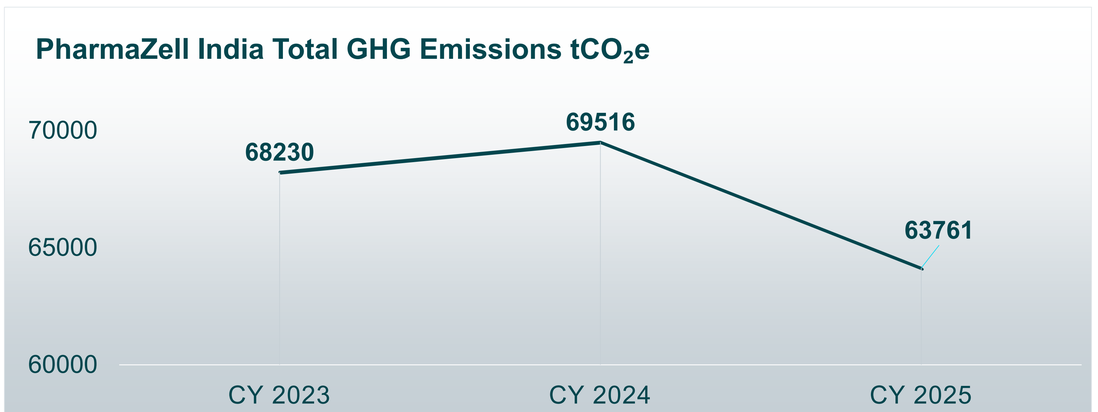


Through energy audits, utility performance monitoring, renewable energy adoption, process optimization and conservation initiatives, PharmaZell India continues to strengthen energy efficiency and reduce the environmental footprint of its operations. These actions support responsible manufacturing, operational excellence and progress toward Axplora's climate and resource efficiency objectives.

PharmaZell India monitors greenhouse gas emissions across its Vizag and Chennai sites as part of its environmental stewardship, climate action and operational efficiency approach. Our GHG inventory covers Scope 1 emissions from direct fuel use, Scope 2 emissions from purchased electricity and Scope 3 emissions from selected value chain activities. This enables us to identify emission hotspots, strengthen reduction planning and align site-level initiatives with Axplora's broader climate roadmap.

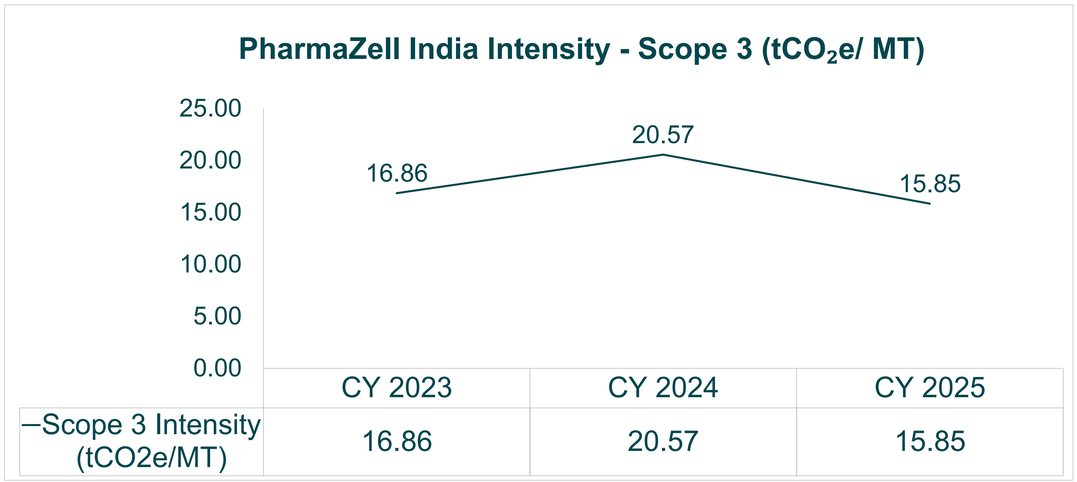
GHG Emissions Inventory

Scope Category	Unit	CY 2023	CY 2024	CY 2025
Scope 1 – Direct emissions	tCO_2e	**7810**	**7005**	**8311**
Scope 2 – Purchased electricity	tCO_2e	**19834**	**18540**	**15969**
Scope 3 – Value chain emissions	tCO_2e	**40585**	**43971**	**39481**
Total GHG Emissions	**tCO_2e**	**68230**	**69516**	**63761**



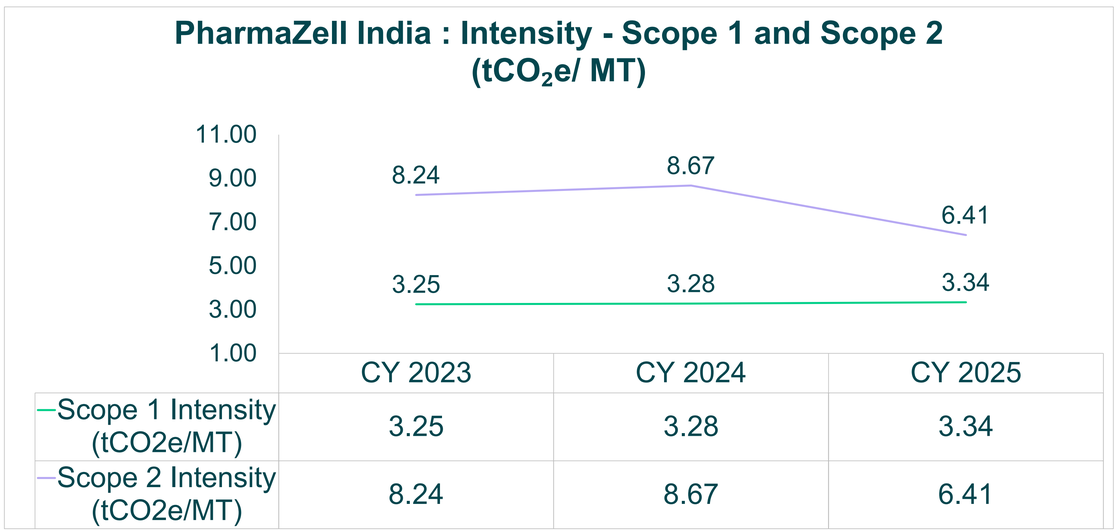
GHG Emission Intensity Trends

PharmaZell India: Total GHG emission intensity trend



During CY 2025, PharmaZell India's total GHG emission intensity reduced to 25.59 tCO_2e/MT production, compared with 32.52 tCO_2e/MT production in CY 2024. This reflects an improvement in emissions performance per unit of production, mainly supported by lower Scope 2 and Scope 3 intensity. The reduction also indicates progress in energy transition, emissions management and value chain footprint control during the reporting period.

PharmaZell India: Scope-wise GHG emission intensity trend

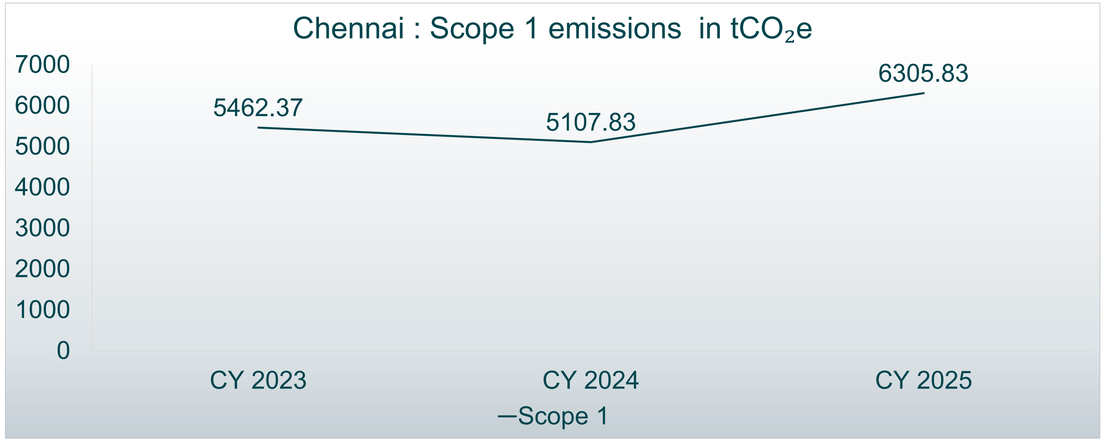


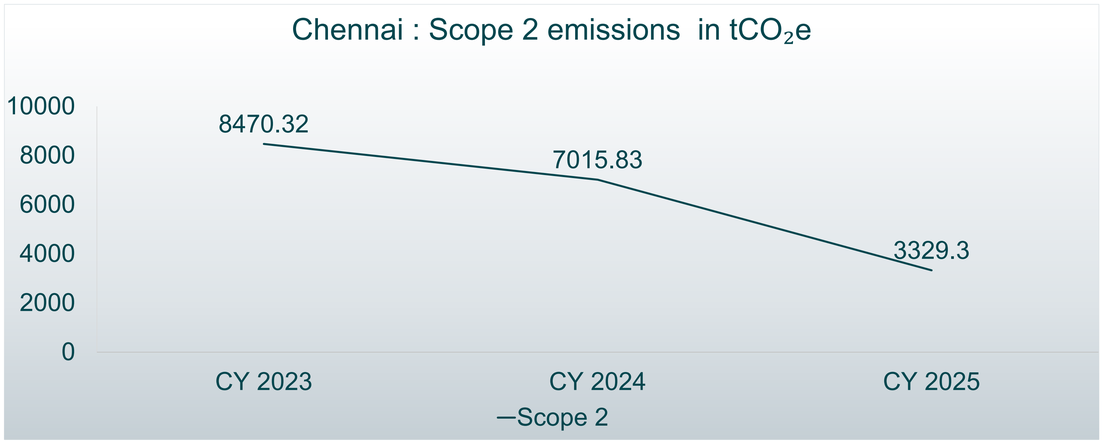
Scope 3 intensity reduced from 20.57 tCO_2e/MT in CY 2024 to 15.85 tCO_2e/MT in CY 2025. The reduction was mainly influenced by lower raw material procurement at Chennai, linked to lower sales / business volume during the year. Since raw materials represent the largest share of Scope 3 emissions, procurement volume has a direct impact on the overall value chain footprint.

Overall, the CY 2025 intensity trend shows that PharmaZell India generated lower GHG emissions per unit of production compared with CY 2024.

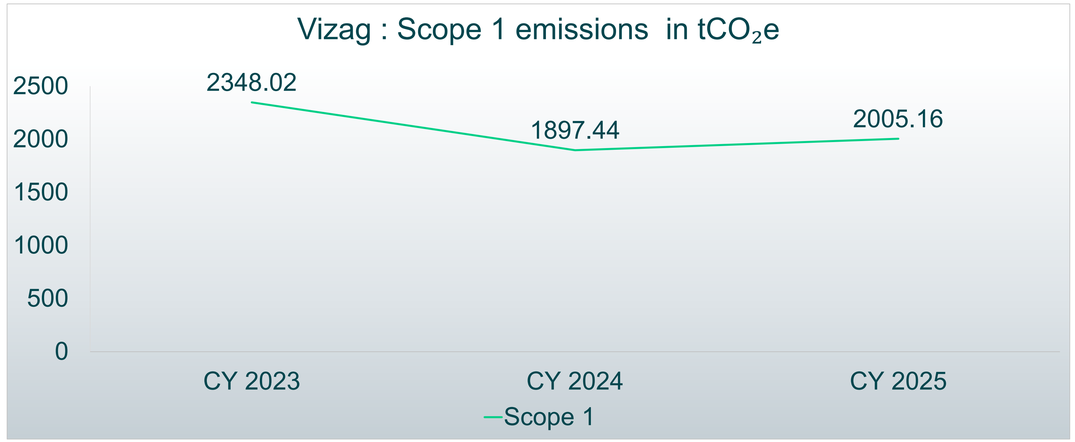
Site wise : GHG Emission Trends

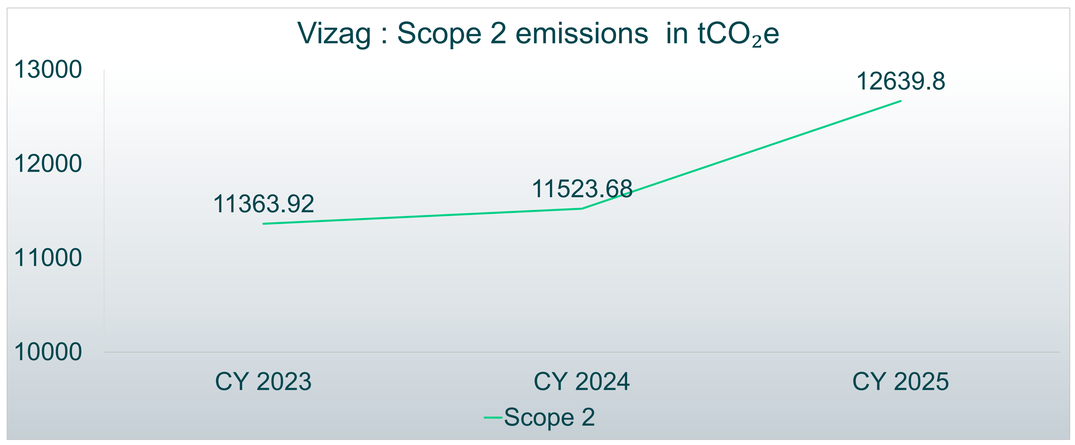
Chennai Site





Vizag Site





Chennai – Scope 1 and Scope 2 Emissions:

At Chennai, Scope 1 emissions increased from 5,462.37 tCO_2e in CY 2023 to 6,305.83 tCO_2e in CY 2025, mainly due to higher direct fuel use linked to operational requirements. Scope 2 emissions reduced significantly from 8,470.32 tCO_2e in CY 2023 to 3,329.30 tCO_2e in CY 2025, reflecting improved electricity-related emissions performance and increased renewable electricity contribution.

Overall, Chennai's emission profile shows a strong reduction in purchased electricity-related emissions, while direct fuel-related emissions remain an important focus area for future reduction

Vizag – Scope 1 and Scope 2 Emissions

At Vizag, Scope 1 emissions reduced from 2,348.02 tCO_2e in CY 2023 to 2,005.16 tCO_2e in CY 2025, reflecting a reduction of approximately 14.6% against the baseline year. This improvement was mainly supported by the conversion of boiler fuel from diesel to PNG, which helped reduce direct fuel-related emissions from site operations

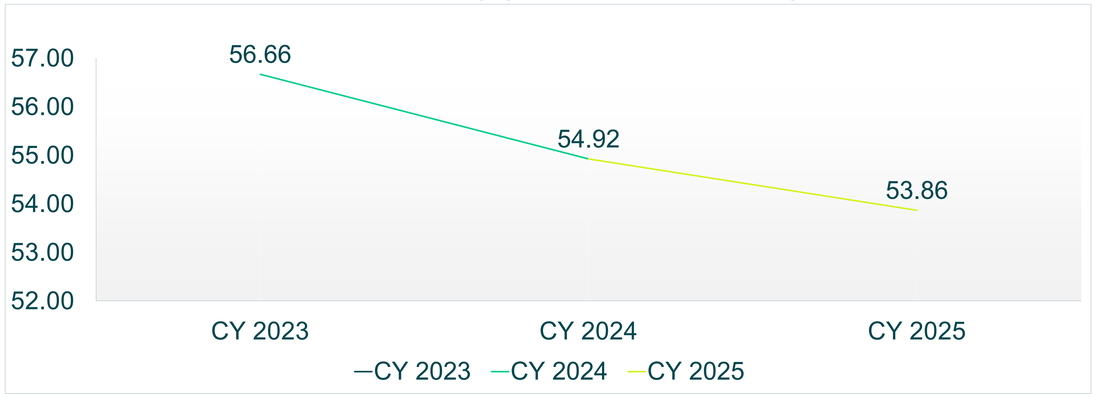
Vizag's emission profile is more electricity-driven, and hence we are making renewable electricity procurement, energy efficiency, utility optimization and power intensity reduction key priorities for Scope 2 emission reduction during 2026 as a way forward to reduce the site emissions.

Water Stewardship

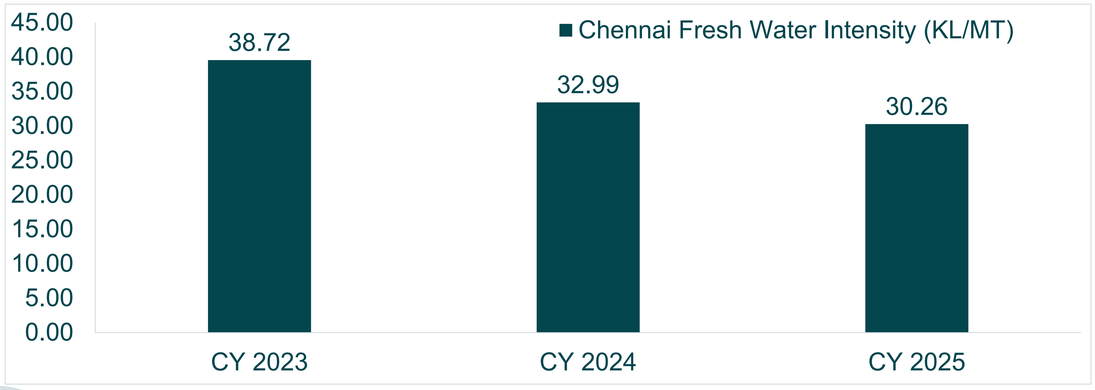
PharmaZell India recognizes water as a critical shared resource and manages water use through monitoring, conservation initiatives, wastewater treatment and process optimization across Vizag and Chennai sites. Our approach focuses on reducing water intensity, improving operational efficiency, maintaining compliance with applicable discharge requirements and strengthening responsible water management in line with Axplora's Water Policy and site-level environmental management systems.

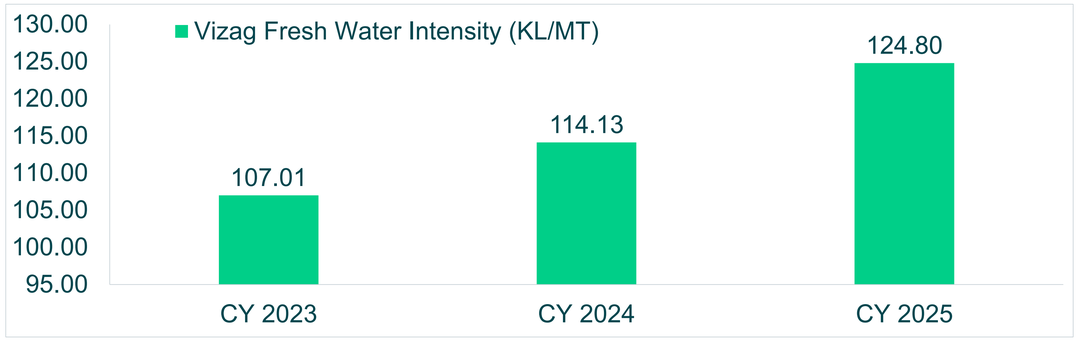
Water use is monitored across manufacturing, utilities, cleaning, domestic use and support operations. Site teams review water consumption, effluent generation and improvement opportunities through environmental monitoring, utility reviews and operational performance tracking. Water conservation measures include process optimization, reduction in DM water consumption, reuse opportunities, effluent treatment controls and awareness on responsible water use.

Fresh Water Consumption Intensity (KL/MT of production) – PharmaZell India



Site Wise : Fresh Water Consumption Intensity (KL/MT of production)





Chennai showed a consistent improvement in freshwater consumption intensity, reducing from 38.72 KL/MT in CY 2023 to 32.99 KL/MT in CY 2024 and further to 30.26 KL/MT in CY 2025. This reflects improved water efficiency per tonne of production and indicates that water conservation, process optimization, recycling and reuse practices are contributing positively to site performance.

Vizag's freshwater consumption intensity increased from 107.01 KL/MT in CY 2023 to 114.13 KL/MT in CY 2024 and further to 124.80 KL/MT in CY 2025. The increase is mainly linked to ongoing growth and infrastructure projects at the site, including construction, commissioning, cleaning, utility support and project-related operational requirements.

Percentage of Recycled Water

Indicator	CY 2023	CY 2024	CY 2025
Chennai recycled water as % of fresh water	62.3%	114.8%	93.8%
Vizag recycled water as % of fresh water	12.7%	15.1%	16.9%
PharmaZell India recycled water as % of fresh water	**38.6%**	**59.6%**	**49.3%**

During CY 2025, PharmaZell India consumed 134,183 KL of fresh water across Vizag and Chennai. Fresh water consumption increased compared with CY 2024, mainly due to higher operational requirements and site-level production activity. At the same time, recycled water use remained significant, with 66,130 KL of recycled water reused across both sites during CY 2025.

Chennai continued to demonstrate strong water recycling performance, with recycled water equivalent to 93.8% of its fresh water consumption in CY 2025. Recycled water use at Chennai remained high due to reuse practices and cooling tower utilization. Vizag also improved recycled water use, increasing from 15.1% of fresh water consumption in CY 2024 to 16.9% in CY 2025.

Recycled water used in cooling towers increased at PharmaZell India level from 39,306 KL in CY 2024 to 43,017 KL in CY 2025, showing continued focus on reuse of treated / recycled water in utility operations. Chennai contributed the major share of recycled water used in cooling towers, while Vizag also improved its cooling tower reuse compared with previous years.

Waste Management and Circularity

We manage waste through a structured approach focused on segregation, safe handling, compliant storage, authorized disposal, recycling, co-processing and recovery wherever feasible. Across Vizag and Chennai, waste management practices are guided by applicable environmental regulations, site-level procedures, ISO 14001 systems and responsible manufacturing expectations.

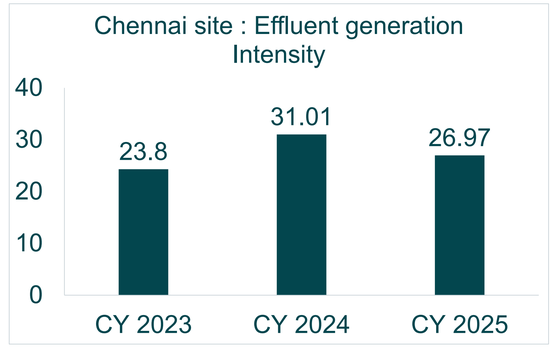
Waste generated from API manufacturing includes hazardous waste, non-hazardous waste and recoverable waste streams. Hazardous waste is managed through defined storage, labeling, manifesting and disposal processes in line with regulatory requirements. Wherever technically and legally feasible, waste is diverted for recycling, recovery or co-processing to reduce the burden on conventional disposal routes.

Waste Management Approach

Focus Area	Our Approach
Waste Segregation	Waste is segregated at source based on type, hazard classification and disposal route.
Hazardous Waste Control	Hazardous waste is stored, labelled, tracked and disposed through authorized agencies.
Recycling and Recovery	Recoverable waste streams are sent for recycling, reuse, recovery or co-processing wherever feasible.
Solvent Recovery	Solvent recovery systems support reuse / recovery and reduce waste disposal load.
Co-processing	Suitable hazardous waste is sent for co-processing as per applicable regulatory permissions.
Compliance Monitoring	Waste movement, storage, disposal and documentation are monitored through site environmental systems.
Waste Reduction	Process optimization, raw material efficiency and operational controls help reduce waste intensity.

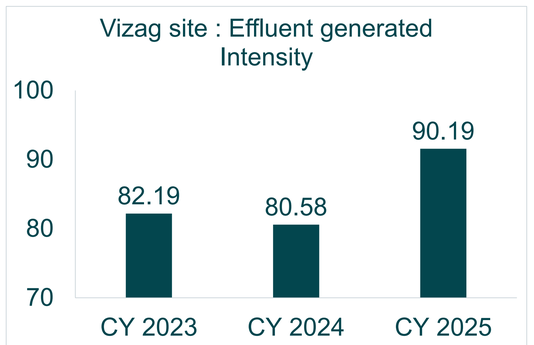
Chennai Site : Effluent Generation and Treatment Management

Chennai's effluent intensity increased in CY 2024 and improved again in CY 2025, reducing from 31.01 KL/MT to 26.97 KL/MT. The improvement reflects better effluent efficiency per tonne of production, supported by process optimization, water conservation and the site's zero liquid discharge system. Although total effluent generation can vary based on production volume and product mix, treated water recovery and reuse remain central to Chennai's wastewater management approach.



At Chennai, effluent is managed through a zero liquid discharge system. LTDS streams are treated through reverse osmosis, with recovered water reused within site operations. The remaining reject stream and HTDS effluent are further treated through evaporation-based treatment systems, and recovered output is reused in cooling tower operations.

Vizag Site : Effluent Generation and Treatment Management



Effluent generated at the Vizag site is managed through authorized third-party treatment arrangements, supported by internal monitoring, segregation of effluent streams and compliance documentation. The site continues to monitor HTDS and LTDS effluent streams and strengthen wastewater management practices to ensure responsible treatment and regulatory compliance.

Vizag's effluent intensity increased in CY 2025 compared with CY 2024, mainly due to higher effluent generation relative to production volume. Effluent generation change is based on product mix, campaign requirements, cleaning cycles..

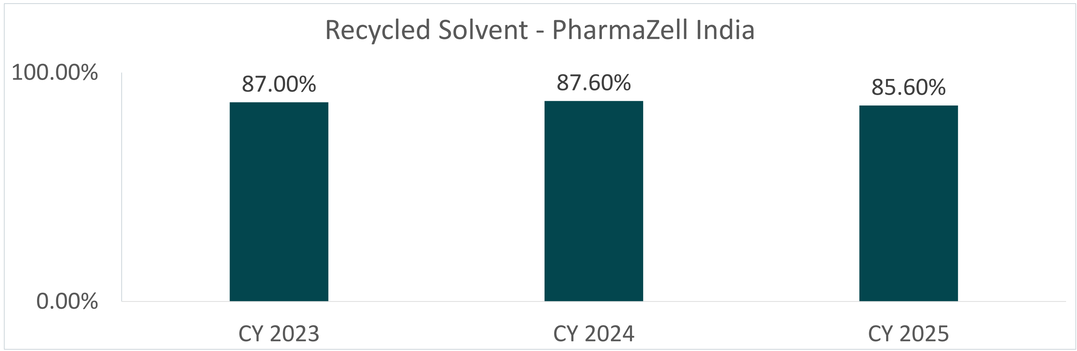
Our Initiatives for Waste management

Initiative Area	Our Approach / Examples
Waste Segregation at Source	Waste streams are segregated based on type, hazard classification and disposal route to support safe handling, treatment, recycling, recovery or disposal.
Hazardous Waste Management	Hazardous waste is stored, labelled, tracked and disposed through authorized agencies in line with applicable regulatory requirements.
Spent Solvent Co-processing	Suitable spent solvent streams are sent to authorized cement industries for co-processing, where they are used as an alternate fuel / resource.
Solvent Recovery and Reuse	Solvent recovery systems support reuse / recovery of solvents, reducing fresh solvent dependency and lowering waste disposal load.
Waste Value Recovery	Suitable waste streams are routed for recycling, recovery or co-processing wherever technically and legally feasible.
Zero Liquid Discharge at Chennai	Effluent streams are treated through site wastewater treatment systems and recovered water is reused in utility operations, including cooling tower applications.
Effluent Stream Management	HTDS and LTDS streams are managed as wastewater / effluent streams through defined treatment systems and monitoring practices.
Authorized Vendor Disposal	Waste disposal is carried out through approved vendors, supported by manifests, disposal records and compliance documentation.
Process Optimization	Batch size enhancement, reduced raw material loss, improved process handling and water reduction initiatives help reduce waste and effluent intensity.
Monitoring and Compliance	Waste quantities, recovery routes, disposal documentation and regulatory requirements are monitored through site environmental systems.

Solvent Recovery Performance

PharmaZell India promotes solvent recovery and reuse as an important circularity and resource efficiency measure in API manufacturing. Across Vizag and Chennai, recovered / recycled solvent is used to reduce dependency on fresh solvent consumption, minimize waste generation and support responsible resource management.

During CY 2025, recycled solvent accounted for 85.6% of total solvent consumption across PharmaZell India. Chennai achieved a recycled solvent share of 86.6%, while Vizag achieved 84.9%. Recycled solvent share remained consistently above 85% over the last three years, reflecting our continued focus on solvent recovery, reuse and circular resource management.



At our Chennai site, spent solvent generated from operations is sent to authorized cement industries for co-processing, where it is used as an alternate fuel / resource. This supports waste value recovery, circularity and responsible hazardous waste management.

Air Emissions Monitoring and Pollution Prevention

PharmaZell India manages air emissions and atmospheric pollutants through third-party environmental monitoring, regulatory compliance tracking, site-level pollution control systems and preventive operational controls. During the reporting period, ambient air quality, stack emissions, scrubber emissions, fugitive emissions and noise levels were monitored through an external environmental monitoring agency.

Monitoring / control area	Actions
Ambient air quality monitoring	Third-party monitoring of PM_{10}, $PM_{2.5}$, SO_2, NOx, CO and other applicable parameters
Stack emission monitoring	DG sets, boiler stack and applicable emission sources monitored against regulatory limits
Scrubber emission monitoring	Process scrubber outlets monitored to verify emission control effectiveness
Pollution control systems	Scrubbers, preventive maintenance, operational controls and inspection of emission control systems
Regulatory compliance review	Monitoring results reviewed against PCB / consent limits by site HSE / Environment teams

Biodiversity and Land Stewardship

PharmaZell India recognizes the importance of protecting local ecosystems and minimizing operational impacts on biodiversity. Our approach is guided by the Biodiversity Policy and environmental management practices at Vizag and Chennai sites. We focus on legal compliance, pollution prevention, responsible waste and wastewater management, spill prevention, greenbelt maintenance and environmental awareness.

As API manufacturing sites, our potential biodiversity-related impacts are mainly linked to land use, water use, air emissions, wastewater discharge, hazardous waste handling and accidental pollution risks. These risks are managed through environmental controls, ETP/STP systems, authorized waste disposal, emission monitoring, spill response systems and ISO 14001-based environmental management practices.

Biodiversity-related Indicator	CY 2025 Status
Biodiversity commitment covered in HSE / ESG policies	Yes
ISO 14001 environmental management system	In place at both sites
Significant biodiversity impact identified	None
Operational controls	Pollution prevention, wastewater treatment, waste management, spill prevention
Environmental compliance	Regulatory monitoring and controls
Awareness	Environment Day, plantation, employee awareness

Environmental Stewardship Highlights – CY 2025

Focus Area	CY 2025 Highlight
Renewable Energy Adoption	Chennai commissioned an 80 kWp solar power system at Unit 1 Admin Building, generating approximately 300 kWh/day and reducing dependency on grid electricity.
Utility Optimization	Chennai optimized utility operations through chiller pump motor downsizing, process cycle time reduction, boiler condensate recovery and waste heat recovery in MEE.
Water Conservation	Chennai implemented process improvements that reduced DM water consumption in Balsalazide and Carbo JP processes, contributing to water conservation and reduced effluent intensity.
Waste Heat Recovery	Installation of a Plate Heat Exchanger in the MEE system supported recovery of waste heat and reduction in steam consumption.
Utility Performance Tracking	Vizag reviewed monthly utility performance, including cooling water, chilled water, cooling solvent, nitrogen, compressed air, steam, electricity, diesel, gas and water costs against budget.
Energy Conservation Actions	Vizag progressed energy conservation ideas such as cooling tower fan blade replacement, condensate recovery, AHU duct leakage correction, motion sensors, agitator RPM reduction and nitrogen optimization.
Cleaner Fuel Transition Planning	Decarbonization actions progressed for diesel-to-PNG/LPG transition, renewable power procurement, MVR retrofit and transformer upgradation, supporting future Scope 1 and Scope 2 reductions.
Environmental Infrastructure	Capex planning included ETP infrastructure, energy conservation activities, fire protection systems, digital controls and reliability improvements supporting responsible operations.

SOCIAL IMPACT : STRENGTHENING COMMUNITIES

Key Topics

- Community Wellbeing & Support
- Community Engagement & CSR

Community Well being and Support

PharmaZell is committed to supporting the wellbeing of communities around its operations through need-based CSR initiatives focused on healthcare, education, skill development, clean water access, community infrastructure and social welfare. The Vizag and Chennai sites contributed to projects such as medical equipment support, ambulance support, assistance for individual healthcare needs, RO water facilities, school infrastructure, skill development programs, support for charitable institutions and community welfare activities. These initiatives reflect our commitment to creating meaningful local impact and strengthening long-term relationships with surrounding communities.

Economic Growth and Employment

PharmaZell contributes to local economic growth by supporting employment, skill development and community-focused initiatives around its Vizag and Chennai sites. Through continued operations, local procurement, contractor engagement, training opportunities and CSR support for education and skill development, the sites help strengthen local livelihoods and build community capability. These efforts support inclusive growth by creating opportunities for people and institutions connected to the surrounding communities.

Infrastructure Development

PharmaZell supports community infrastructure development through CSR initiatives that improve access to essential facilities and strengthen local community assets. During 2025, the Vizag and Chennai sites contributed to projects such as RO water plant repair and construction, school infrastructure support, renovation of public water bodies, construction support for charitable institutions, sanitation facilities, library development and healthcare infrastructure support. These initiatives aim to improve quality of life, support public services and create lasting value for surrounding communities.

Education and Skill Development

PharmaZell supports education and skill development through CSR initiatives that help improve learning opportunities, practical skills and access to better educational infrastructure. The Vizag and Chennai sites contributed to projects such as financial support for skill development programs, infrastructure support for government schools, and proposed learning facilities for differently abled students. These initiatives aim to strengthen employability, support inclusive education and contribute to long-term community development.

Vizag site supported skill development by extending a financial grant through CEMS for 10 students, contributing to education and employability enhancement.

Chennai site supported healthcare infrastructure by providing medical equipment to Government Hospital, Tambaram, strengthening patient care and public health services.

Community Engagement & CSR

Our CSR activities

PharmaZell's community engagement and CSR initiatives focus on creating meaningful local impact around the Vizag and Chennai sites through need-based support in healthcare, education, skill development, clean water access, infrastructure development and community welfare. Both sites contributed to projects that supported public health institutions, schools, charitable organizations, individual healthcare needs and local community facilities. These initiatives reflect PharmaZell's commitment to responsible business practices, community wellbeing and long-term stakeholder relationships.

SDG	Details
SDG 2 – Zero Hunger	**Vizag:** PharmaZell supported food-related community welfare by providing kitchen equipment to Touch Stone Charity, helping strengthen its ability to serve beneficiaries.
SDG 3 – Good Health and Well-being	**Vizag:** PharmaZell supported healthcare and wellbeing through donation of an ultrasound scanner to Area Hospital, Aganampudi, donation of a hearing machine, provision of a knee-ankle-foot orthosis, financial assistance for surgery, and distribution of 1,000 mosquito nets to students in government hostels and nearby villages. **Chennai:** PharmaZell supported public healthcare through assistance to the Department of Public Health and Preventive Medicine, provision of a 3-seater electric ambulance with stretcher and steam boiler to Government Hospital of Thoracic Medicine, Tambaram, medical equipment support to Government Hospital, Tambaram, and basic support for TB/AIDS patients through the Wall of Kindness initiative.
SDG 4 – Quality Education	**Vizag:** PharmaZell supported education and employability through a financial grant for a skill development programme through CEMS for 10 students. **Chennai:** PharmaZell supported education infrastructure through building infrastructure facilities for Government Girls Higher Secondary School, Tambaram. The site also proposed a NIOS-accredited learning centre with computer lab, home science lab, bakery lab, confectionery lab, library and learning centre for GIDD, Tambaram, and proposed toilet facility and library development for the Government School for Hearing Impaired, Tambaram.

SDG	Details
SDG 6 – Clean Water and Sanitation	**Vizag:** PharmaZell supported clean water access through repair of an RO water plant in Lemarthi Village and construction of an RO water plant in K. Yellavaram, Narsipatnam. **Chennai:** PharmaZell supported community water and sanitation through renovation of Tiruneermalai Lake and proposed toilet facility construction for the Government School for Hearing Impaired, Tambaram.
SDG 8 – Decent Work and Economic Growth	**Vizag:** PharmaZell supported employability through the CEMS skill development programme for 10 students. **Chennai:** PharmaZell proposed a NIOS-accredited learning centre for differently abled students, including practical learning facilities such as computer lab, home science lab, bakery lab and confectionery lab, supporting skill development and future livelihood opportunities.

SDG	Details
SDG 9 – Industry, Innovation and Infrastructure	**Chennai:** PharmaZell supported healthcare infrastructure by providing a 3-seater electric ambulance with stretcher and steam boiler to Government Hospital of Thoracic Medicine, Tambaram.
SDG 10 – Reduced Inequalities	**Vizag:** PharmaZell supported vulnerable individuals and community institutions through orthosis support, hearing machine donation, financial assistance for surgery, and construction support for Saptharushi Charitable Trust. **Chennai:** PharmaZell supported inclusion through the Wall of Kindness initiative for TB/AIDS patients, proposed learning centre support for intellectually differently abled beneficiaries, and proposed toilet and library facilities for a school for hearing impaired students.

SDG	Details
SDG 11 – Sustainable Cities and Communities	**Vizag:** PharmaZell supported community infrastructure through construction support for Saptharushi Charitable Trust, kitchen equipment support to Touch Stone Charity, and clean water facilities for local communities. **Chennai:** PharmaZell supported community infrastructure through renovation of Tiruneermalai Lake, healthcare infrastructure support and school infrastructure support.
SDG 15 – Life on Land	**Chennai:** PharmaZell contributed to environmental improvement through renovation of Tiruneermalai Lake, supporting local ecological restoration and community environmental wellbeing.

Through these CSR initiatives, PharmaZell's Vizag and Chennai sites continue to support community wellbeing, healthcare access, education, skill development, clean water, infrastructure improvement and inclusive social support. By aligning local community needs with relevant Sustainable Development Goals, PharmaZell aims to create meaningful and lasting positive impact for the communities surrounding its operations.

WORKFORCE : OUR PEOPLE, OUR STRENGTH

Key Topics

- Employee Wellbeing and Management
- Diversity and Inclusion
- Training and development
- Employee Engagement and workplace culture
- Workplace Health and Safety

Employee Wellbeing and Management

At PharmaZell (India) Private Limited, employees and workers are central to our operational excellence, quality performance and sustainability journey. Across Vizag and Chennai sites, we focus on creating a safe, respectful and supportive workplace where people are encouraged to learn, contribute and grow.

Our employee wellbeing and management approach is built around occupational health and safety, learning and development, policy awareness, workplace conduct, fair treatment and employee engagement. We continue to strengthen awareness through regular training programs, safety meetings, internal communication, functional interactions

Our People at Glance

Employment Structure

525
Regular / White Collar FTE

192
Contractors / Blue Collar

73.2%
Regular / White Collar workforce

26.8%
Contractors / Blue Collar workforce

Our Workforce

717
Total workforce across Vizag and Chennai

401
Vizag

316
Chennai

Workforce Management Snapshot

25
Total senior management positions

14
Net new hires

39
Employee departures

Workforce Composition

Category	Number	Percentage of Total FTE
Employees excluding contractors	525	**73.2%**
Contractors	192	**26.8%**
Total workforce / FTE	**717**	**100%**

The workforce data covers Axplora / PharmaZell India's Vizag and Chennai sites only. The combined workforce strength was 717 including contractors, of which 525 were employees excluding contractors and 192 were contractors. Employees excluding contractors represented 73.2% of the total workforce, while contractors represented 26.8%.

Site-wise Workforce

Site	Total FTE including contractors	Employees excluding contractors	Contractors
Vizag	401	282	119
Chennai	316	243	73
Total	**717**	**525**	**192**

Gender Diversity

PharmaZell's Vizag and Chennai sites operate in chemical / API manufacturing, where several shopfloor, production, maintenance, utility and shift-based roles involve hazardous process areas, physical work conditions and regulatory safety requirements. These operational realities can influence overall gender representation in plant-based roles. However, PharmaZell continues to support equal opportunity, fair treatment and women's participation across suitable functions, including quality, administration, technical, support and management roles.

KPI	Vizag	Chennai	PharmaZell India
Female representation in senior management	**10.0%**	**6.7%**	**8.0%**
Female representation in employee workforce	**4.0%**	**4.5%**	**4.2%**

Across PharmaZell India's Vizag and Chennai sites, women represented 4.2% of the employee workforce and 8.0% of senior management.

Employee Hiring

During 2025, PharmaZell India continued selective talent acquisition to support operations and business growth. The employee hiring rate was 3% at Vizag and 2% at Chennai, with a combined hiring rate of 2.67% across India operations.

Site	Net New Hires	Average FTE	Hiring Rate
Vizag	9	282	**3.19%**
Chennai	5	243	**2.06%**
PharmaZell India	**14**	**525**	**2.67%**

Employee Turnover

Employee turnover is tracked to understand workforce stability, retention and movement across the two sites. Turnover is monitored at site level and reviewed as part of workforce management.

Turnover KPI	Vizag	Chennai	PharmaZell India
Annual turnover percentage	8.0%	7.0%	**7.4%**
Turnover number	22	17	**39**

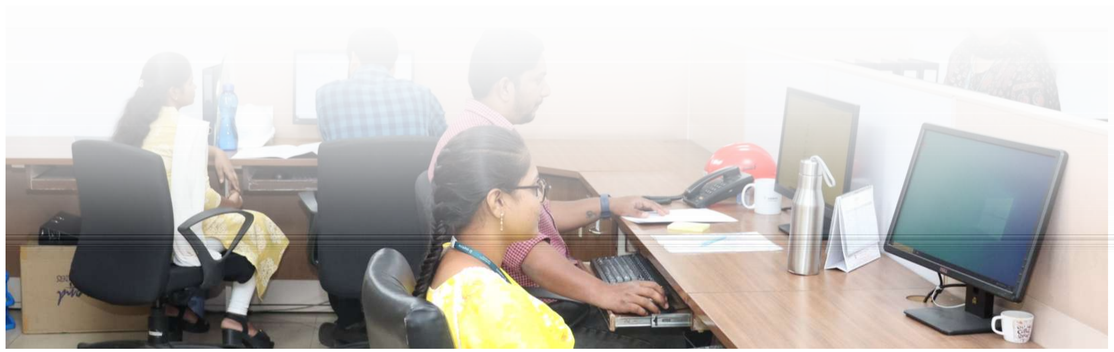
Voluntary Employee turnover by site

Site	Voluntary Departures	Average FTE	Voluntary Turnover Rate
Vizag	24	282	**8.51%**
Chennai	13	243	**5.35%**
PharmaZell India	**37**	**525**	**7.05%**

Employee Participation and Social Dialogue

PharmaZell India promotes open and constructive social dialogue through regular employee engagement forums, departmental interactions, safety meetings, training sessions, grievance redressal mechanisms, welfare discussions and leadership communication platforms. These channels provide employees and workers with opportunities to raise concerns, share feedback and participate in discussions related to working conditions, safety, welfare, learning and workplace improvement across Vizag and Chennai sites.

Social dialogue mechanism	Purpose / engagement focus
Employee engagement forums / Employee Meet	Management communication, employee interaction and site-level alignment
Safety committee meetings / toolbox talks	Worker participation in health, safety and safe work practices
Grievance redressal mechanism	Channel for employees and workers to raise workplace concerns
Departmental meetings and functional interactions	Discussion on work-related matters, improvement actions and operational coordination
Training and awareness sessions	Two-way engagement on policies, safety, ESG, compliance and capability building
Welfare discussions	Feedback on canteen, transport, health, wellbeing and working conditions



Employee Wellbeing & Workforce Care

At PharmaZell (India) Private Limited, we recognize that our employees are the foundation of sustainable growth and operational excellence. Across our Vizag and Chennai sites, we are committed to creating a safe, healthy, inclusive and supportive workplace through people-focused policies, welfare measures and continuous engagement initiatives.
Our employee wellbeing approach combines statutory compliance, workplace safety, professional development and welfare benefits to ensure that employees feel valued, protected and empowered throughout their career journey.

Our Employee Support Framework

Physical Wellbeing

We promote employee health through preventive and occupational healthcare programs, periodic health check-ups, workplace medical surveillance, emergency response preparedness and awareness sessions. Safety remains a core priority, supported through regular safety trainings, PPE compliance, shopfloor safety campaigns and committee-led engagement initiatives. Free canteen food is also provided across all shifts to support employee nutrition, convenience and wellbeing.

Social Wellbeing

We strengthen workplace belonging through annual celebrations, cultural events, sports activities, employee recognition programs, long service appreciation and team engagement initiatives. Cross-functional collaboration and knowledge-sharing sessions further support a positive workplace culture.

Emotional Wellbeing

We foster a respectful and secure work environment through grievance handling mechanisms, anti-harassment policies, internal complaints committees and open communication channels. Employees are encouraged to raise concerns through structured redressal systems with confidentiality and fairness.

Financial Wellbeing

Employees are supported through competitive wages, statutory benefits, provident fund, gratuity, insurance coverage, retirement provisions and structured compensation practices. Equal pay principles and fair employment practices are embedded within our people management systems.

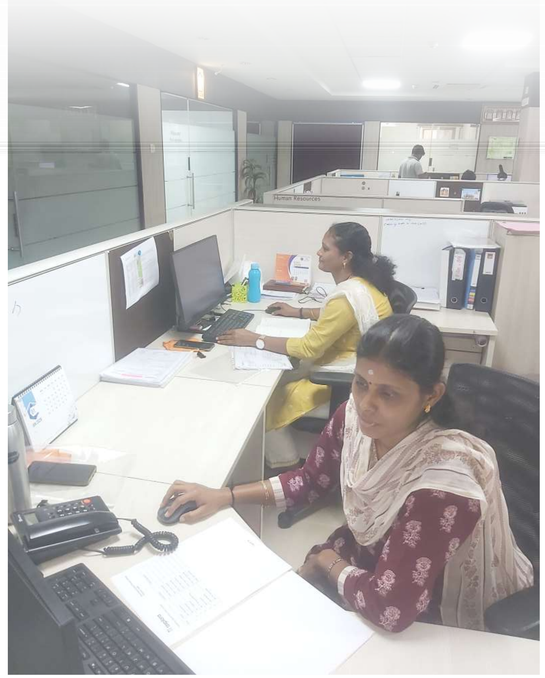
Learning & Capability Development

We continue to invest in employee growth through induction programs, technical trainings, GMP sessions, behavioural learning modules, safety education and role-based capability development. During 2025, both sites achieved strong training compliance across key mandatory learning programs.

Our Commitment

By integrating wellbeing with operational discipline, PharmaZell continues to build a workplace where employees can contribute safely, grow professionally and thrive personally. We remain committed to strengthening workforce care as part of our long-term sustainability journey.

Workforce management : PharmaZell India communicates significant operational changes to employees through appropriate internal communication channels, functional interactions and leadership engagement forums. Where applicable, notice periods and communication requirements are followed in line with statutory requirements, employment terms, certified standing orders and company policy.



Diversity and Inclusion

PharmaZell India remains committed to promoting fair employment, inclusive workplace practices and equal opportunities across its Vizag and Chennai sites. In 2025, women represented 4.2% of the combined India workforce.

At Vizag, female workforce representation stood at 4.0% in 2025, broadly aligned with the previous year. While pharmaceutical manufacturing continues to present operational limitations for gender parity in certain plant-based roles, PharmaZell continues to encourage inclusive hiring, fair compensation, professional development and a respectful workplace culture.

Across both sites, there were 29 female employees in 2025, including 2 women in senior management positions. The company continues to strengthen its people practices through equal opportunity principles, non-discrimination, grievance redressal, anti-harassment mechanisms and training-led development.

Site	2023	2024	2025
Vizag	4.6%	4.8%	4.0%
Chennai	5.1%	5.1%	4.5%
PharmaZell India	4.8 %	4.9%	4.2%

Nurturing Growth Through Feedback and Recognition

At PharmaZell India, we believe that regular feedback is essential for employee development, performance improvement and long-term organizational excellence. Performance and career development reviews provide a structured platform for employees and managers to discuss achievements, expectations, development needs and future growth opportunities.

During 2025, PharmaZell India achieved 100% performance and career development review coverage for all eligible employees across both Vizag and Chennai sites. The review process covered employees across gender and employee categories, reflecting our commitment to fair, transparent and inclusive people development practices.

These reviews helped employees understand their role expectations, receive constructive feedback, identify training needs and align their individual goals with departmental and business priorities. The process also enabled managers to recognize contributions, discuss improvement areas and support capability building through planned development actions.

Description	Vizag	Chennai	PharmaZell India
Male employees reviewed	100%	100%	100%
Female employees reviewed	100%	100%	100%
Managerial employees reviewed	100%	100%	100%
Non-managerial employees reviewed	100%	100%	100%

Career Management and Training

We support career management and employee capability development through structured induction, role-based training, GMP and compliance learning, EHS training, technical skill development, cross-functional exposure and continuous awareness sessions. Training needs are identified based on role requirements, regulatory expectations, operational priorities, competency gaps and management inputs. Employees are encouraged to strengthen their professional capabilities through ongoing learning, functional development and participation in site-level improvement initiatives.

Career and training focus area	Approach
Induction and onboarding	Orientation on company policies, safety, quality and workplace expectations
Technical and functional training	Role-based learning for manufacturing, quality, engineering, HSE and support functions
GMP and compliance training	Awareness on GMP, SOPs, quality systems and regulatory expectations
EHS and safety training	Safety procedures, emergency response, PPE, risk awareness and incident prevention
ESG and policy training	Human rights, anti-corruption, code of conduct, cybersecurity, whistleblowing and ESG awareness
Career development	Capability building through cross-functional learning, internal exposure and skill enhancement

Policies Upholding Equality, Inclusion and Fair Treatment

PharmaZell's people management approach is supported by policies that uphold equality, inclusion, dignity, fair treatment and responsible workplace conduct. These policies provide a structured framework to prevent discrimination, harassment, unethical behaviour and unfair treatment, while enabling employees to raise concerns through confidential and transparent mechanisms. Across Vizag and Chennai sites, these commitments are reinforced through policy awareness trainings, grievance redressal processes, POSH mechanisms, disciplinary procedures and speaking-up channels, helping strengthen a respectful, safe and accountable workplace culture.

Prevention of Sexual Harassment at Workplace

PharmaZell has an Internal POSH Policy to prevent, prohibit and redress sexual harassment at the workplace and to provide a safe, dignified and inclusive working environment for women associated with the organization. The policy is aligned with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and covers employees, trainees, apprentices, interns, consultants, contract workers, retainers, temporary staff and women interacting with the workplace in a business context. The policy follows a zero-tolerance approach, ensures confidentiality, prohibits retaliation and provides a formal complaint mechanism through the Internal Committee.

Grievance Redressal Mechanism

PharmaZell's Internal Grievance Redressal Policy provides a structured mechanism for employees to raise workplace concerns, including harassment, unfair treatment, health and safety concerns, workplace conflicts, policy violations and operational concerns. The process is designed to ensure timely, fair, unbiased and confidential resolution of grievances. The escalation process includes the immediate supervisor, department head, Site HR, Grievance Committee, Plant Occupier and final escalation to the Managing Director / Legal Representative where required.

Disciplinary Policy and Fair Process

PharmaZell's Internal Disciplinary Policy establishes a structured and fair framework for addressing acts of misconduct while ensuring compliance with applicable laws, Certified Standing Orders and principles of natural justice. The policy emphasizes fairness, impartiality, transparency, consistency and proportionality in disciplinary proceedings. It supports a safe, disciplined and compliant workplace while protecting the rights of both the organization and employees.

Non-Discrimination and Equal Opportunity

Axplora's Human Rights Policy prohibits discrimination based on personal characteristics such as nationality, race, age, gender identity or expression, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, pregnancy or marital status. PharmaZell applies these principles across its Vizag and Chennai sites to support equal opportunity, respectful workplace behaviour and fair treatment.

Speaking Up and Confidential Reporting

Axplora's Speaking Up Policy encourages employees and other stakeholders to report suspected misconduct confidentially and without fear of retaliation. Concerns may be raised through supervisors, HR, Legal or ESG representatives, the online Integrity Line or compliance email.

Employee Training and Development

PharmaZell India continues to strengthen workforce capability through structured training and development programs across its Vizag and Chennai sites. As API manufacturing locations within the Axplora Group, both sites focus on building employee competence through planned trainings, functional learning, GMP awareness, safety training and interdepartmental knowledge-sharing sessions.

Training activities are guided through an annual training calendar, which supports systematic planning, execution and monitoring of learning programs. The training framework includes induction training for new employees, periodic GMP training, safety training, functional training and refresher sessions based on role requirements. This structured approach helps ensure that employees remain aligned with applicable quality, safety, regulatory and operational expectations.

During CY 2025, PharmaZell India continued to conduct training and knowledge-sharing sessions to improve awareness, strengthen technical understanding and support continuous improvement across departments. These initiatives contributed to employee preparedness, compliance culture and operational excellence across both sites.

VIZAG

Year	Employees Covered	Total Training Hours	Average Training Hours / Employee	Attendance %
2022	263	4,133	15.7	99 %
2023	282	5,606	19.9	100%
2024	273	4,912	18.0	98%
2025	282	4823	17.1	98%

CHENNAI

Year	Employees Covered	Total Training Hours	Average Training Hours / Employee	Attendance %
2022	228	5244	23	99.3%
2023	237	6392	27	100.0%
2024	236	5671	24	97.9%
2025	245	3935	16	98%

PharmaZell India

Year	Employees Covered	Total Training Hours	Average Training Hours / Employee	Attendance %
2022	491	9377	19	99%
2023	519	11998	23	100%
2024	509	10583	21	98%
2025	527	8758	17	98%

Employee engagement and workplace culture

PharmaZell India continued to strengthen employee engagement during CY 2025 through initiatives that promoted inclusion, wellbeing, sustainability awareness, family connection, safety culture and workplace pride across Vizag and Chennai. These activities helped employees connect beyond routine work, participate in shared organizational priorities and contribute to a positive and responsible workplace culture.

Sustainability and Capability Building

In December 2025, employees from Vizag and Chennai participated in a focused capacity-building program on decarbonization and net-zero pathways, conducted by the Confederation of Indian Industry. The session helped employees understand climate change, greenhouse gas management and Axplora's long-term decarbonization journey. It also encouraged cross-functional collaboration and awareness on how each function can contribute to sustainability goals.

International Women's Day

International Women's Day was celebrated across both Indian sites to recognize the contribution, resilience and achievements of women employees across functions. The celebration reflected PharmaZell India's continued focus on inclusion, respect and employee wellbeing, while also creating a platform to appreciate women's role in the workplace.

World Environment Day

World Environment Day 2025 was celebrated at both Vizag and Chennai sites with employee participation in awareness activities, plantation initiatives and engagement programs aligned with the theme of reducing plastic pollution. The initiative encouraged employees to reflect on environmental responsibility and take practical steps toward a cleaner and more sustainable workplace.

International Yoga Day

International Yoga Day was marked at the Vizag site through enthusiastic employee participation in **Yogandhra 2025**, a large-scale initiative organized by the Andhra Pradesh State Government. Employees joined thousands of participants in practicing yoga, promoting physical wellbeing, mental resilience and team spirit. The Yogandhra initiative was also recognized as part of a Guinness World Records achievement.

Children's Day

At the Chennai site, Children's Day was celebrated with the enthusiastic participation of employees' children. The celebration created a joyful and inclusive atmosphere by welcoming families into the workplace and offering employees an opportunity to share moments of fun, creativity and connection with their children.

Safety Week Celebrations

As part of the annual safety culture-building initiatives, Safety Week celebrations were conducted at both Vizag and Chennai sites. Various employee competitions and engagement activities were organized to promote safety awareness, encourage participation and reinforce safe working practices across the workforce.

Basic Fire-Fighting Training

Basic Fire-Fighting Training was conducted at both Chennai and Vizag sites in collaboration with the A.P. Fire Services Department. The program focused on fire prevention, fire hazards, correct use of extinguishers and hoses, evacuation procedures and emergency response, supporting the site's continued focus on workplace safety and readiness.

First Aid Training

The Vizag and Chennai sites conducted a First Aid Training Program to strengthen employee preparedness during medical emergencies. The session covered practical aspects such as CPR, fracture management, bleeding control and emergency response, helping employees build confidence to act quickly and responsibly during critical situations.

Employee Meet 2025

Employee Meet 2025 was conducted at the Vizag unit with the participation of employees and the Chennai leadership team. The event provided a platform for interaction, communication and alignment, strengthening collaboration between the Indian sites and reinforcing a shared sense of belonging across PharmaZell India.

Employee Engagement activities at a Glance

Theme	Site	Initiative	Engagement Focus
Sustainability & Capability Building	Vizag & Chennai	CII Decarbonization and Net-Zero Training	Built awareness on climate change, GHG management and Axplora's decarbonization journey
Environment & Sustainability	Vizag & Chennai	World Environment Day 2025	Plantation and awareness activities aligned with reducing plastic pollution
People & Inclusion	Vizag & Chennai	International Women's Day	Celebrated women's contributions, resilience and achievements across functions
Wellbeing & Team Spirit	Vizag	International Yoga Day / Yogandhra 2025	Promoted physical and mental wellbeing through collective yoga participation
Family & Engagement	Chennai	Children's Day Celebration	Welcomed employees' children and families into the workplace
Safety Culture	Vizag & Chennai	Safety Week Celebrations	Conducted annual safety awareness activities and competitions to reinforce safe working practices
Safety Capability Building	Vizag	First Aid Training Program	Strengthened employee preparedness for medical emergencies through practical first aid awareness
Emergency Preparedness	Vizag	Basic Fire-Fighting Training	Built practical awareness on fire prevention, extinguisher handling, evacuation and emergency response
Leadership Engagement	Vizag & Chennai	Employee Meet 2025	Strengthened communication, site-level alignment and engagement with participation from Chennai leadership team at Vizag
People & Workplace Culture	Vizag & Chennai	Most Preferred Workplace Recognition 2025–2026	Reflected people-centric culture and inclusive workplace practices across Indian sites

Workplace Health and Safety

At PharmaZell India, safeguarding the health and safety of employees, contract workmen and visitors is a core operational priority. Our Vizag and Chennai sites continue to strengthen occupational health and safety practices through structured systems, risk assessments, employee training, emergency preparedness, incident monitoring and corrective action-based improvements.

PharmaZell's HSE approach is supported by an Integrated Management System aligned with ISO 14001:2015 and ISO 45001:2018. The system follows a risk-based and continual improvement approach, covering hazard identification, risk assessment, operational controls, compliance obligations, worker participation, internal audits, management reviews and corrective actions.

Safety Training

Safety trainings are conducted to build employee awareness, strengthen safe work behaviour and improve emergency preparedness. Key focus areas include:

- Basic fire-fighting training
- First aid and emergency response
- Hazard identification and risk awareness
- Safe handling of chemicals
- Use of PPE and RPE
- Permit-to-work awareness
- Incident and near-miss reporting
- Emergency evacuation and mock drills

These sessions help employees understand workplace risks and respond safely during routine and emergency situations.

Health Awareness

Occupational health and wellbeing are promoted through awareness, medical support and preventive health initiatives. Key focus areas include:

- Periodic health check-ups
- Occupational health monitoring
- First aid awareness
- Heat stress awareness
- Hygiene and wellbeing
- Respiratory protection awareness
- Health and safety communication

These initiatives support employee wellbeing and help identify health-related workplace risks at an early stage.

Governance and Oversight

Health and safety performance is governed through PharmaZell India's HSE management system, site-level safety committees, internal audits, management reviews and defined roles and responsibilities. The IMS follows the Plan-Do-Check-Act model and integrates HSE requirements into business processes to support compliance, risk reduction and continual improvement.

The HSE system includes defined processes for hazard identification, OH&S risk assessment, emergency preparedness, management of change, operational control, incident investigation, corrective and preventive actions, and performance monitoring.

Internal audits are conducted at planned intervals to verify conformity with ISO 14001:2015, ISO 45001:2018 and internal IMS requirements.

Safety Management Teams and Systems

Internal Audit System

Internal audits are conducted at planned intervals to evaluate compliance with ISO 14001:2015, ISO 45001:2018 and PharmaZell's internal IMS requirements. Audit findings are reviewed, and corrective actions are implemented to support continual improvement.

Incident Investigation and CAPA

Incidents, near misses and nonconformities are investigated to identify root causes. Corrective and preventive actions are implemented to prevent recurrence and strengthen workplace safety controls.

Process Safety and Risk Controls

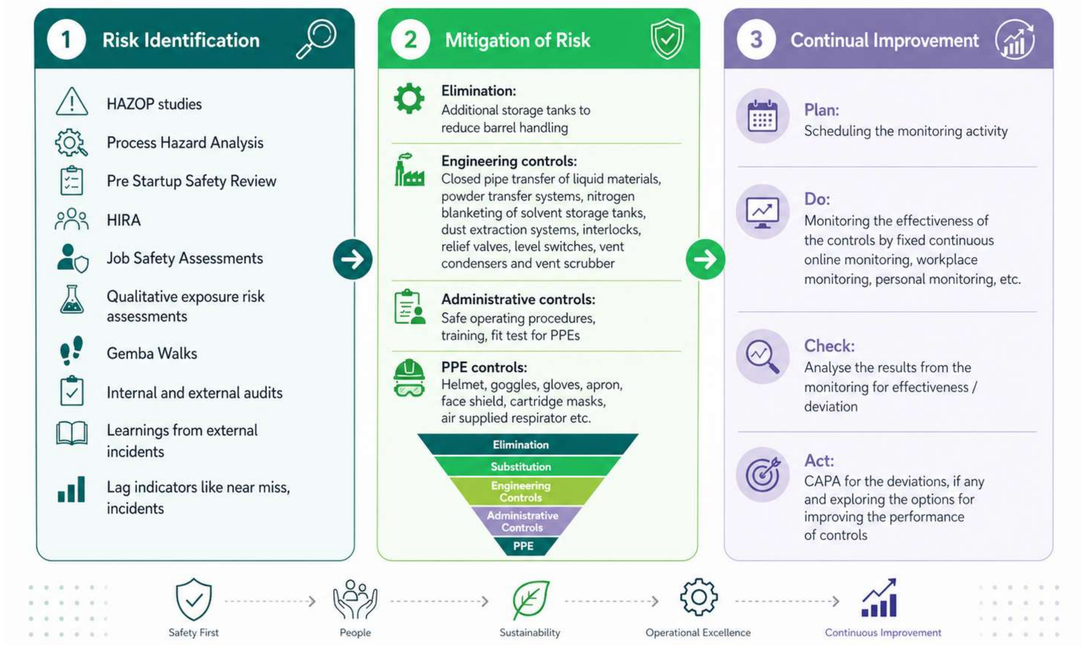
Process safety is managed through hazard identification, HIRA, HAZOP, job safety analysis, permit-to-work systems, LOTO, management of change and operational controls. These systems help reduce risks associated with chemical manufacturing and API operations.

HSE Communication and Worker Participation

HSE policy, objectives, roles and responsibilities, risk controls, emergency preparedness plans, audit results, incident learnings and mock drill action plans are communicated through notice boards, displays, emails, shift meetings, toolbox talks and trainings. Employees are encouraged to report hazards, incidents and near misses without fear of reprisal.

Risk-Based Safety Management

PharmaZell India follows a proactive, risk-based approach to health and safety management across its Vizag and Chennai sites. Workplace hazards and OH&S risks are identified through structured processes such as hazard identification, HIRA, Job Safety Analysis, process safety reviews, workplace inspections, Gemba rounds and incident learnings. Risks are evaluated considering routine and non-routine activities, equipment, materials, human factors, contractors, visitors, emergency situations and changes in operations. Control measures are implemented based on the hierarchy of controls, including elimination, substitution, engineering controls, administrative controls, training and suitable PPE.



Safety Culture and Reporting Mechanisms

Our safety culture is built on employee participation, transparent reporting and continuous improvement. Employees, contract workmen and visitors are encouraged to report hazards, unsafe acts, unsafe conditions, near misses and incidents without fear of reprisal. Reported observations are reviewed by the HSE team and concerned departments, and corrective and preventive actions are implemented to prevent recurrence. Safety communication is strengthened through notice boards, displays, shift meetings, toolbox talks, trainings, HSE scorecards and safety committee meetings.

Safety performance Overview

PharmaZell India monitors safety performance through key indicators such as working hours, NLTAs, LTAs, total recordable injuries, fatalities, severity rate and TRIR. During CY 2025, both Vizag and Chennai recorded **zero fatalities, zero LTAs and zero severity rate**. The continued focus on risk prevention, emergency preparedness, incident investigation, CAPA implementation and employee safety awareness supports the company's commitment to maintaining a safe and healthy workplace.

PharmaZell India – Safety Performance

Year	Hours Worked	NLTAs	LTAs	Total Recordable Injuries	Fatalities	Severity Rate	TRIR
2023	2,129,392	8	0	8	0	0	3.76
2024	2,189,592	6	0	6	0	0	2.74
2025	1,800,912	5	0	5	0	0	2.78

Safety performance I Chennai

Year	Hours Worked	NLTAs	LTAs	Total Recordable Injuries	Fatalities	Severity Rate	TRIR
2023	681,896	5	0	5	0	0	7.33
2024	684,392	3	0	3	0	0	4.38
2025	692,920	4	0	4	0	0	5.77

Safety performance I Vizag

Year	Hours Worked	NLTAs	LTAs	Total Recordable Injuries	Fatalities	Severity Rate	TRIR
2023	1,447,496	3	0	3	0	0	2.07
2024	1,505,200	3	0	3	0	0	1.99
2025	1,107,992	1	0	1	0	0	0.90

TRIR has been calculated as per the European standard, using 1,000,000 working hours as the reference base, to maintain consistency and compliance with Axplora Group-level safety reporting practices. The formula applied is: Total Recordable Injuries × 1,000,000 ÷ Total Hours Worked. This methodology ensures that safety performance is reported uniformly across Vizag, Chennai and the wider Axplora Group, enabling reliable comparison across sites and reporting periods.

Category	CY 2023	CY 2024	CY 2025
Employees	0	0	0
Contract employees	0	0	0

Category	CY 2023	CY 2024	CY 2025
Employees and workers whose work / workplace is controlled by the organization and covered under the OHS system	100%	100%	100%

PharmaZell India recorded zero lost-time injuries across Vizag and Chennai during CY 2025. The company also maintained zero fatalities and zero severity rate, reflecting continued focus on preventive safety practices, employee awareness and emergency preparedness.

During CY 2025, PharmaZell India recorded 1.80 million working hours across Vizag and Chennai, with zero fatalities, zero lost-time injuries and zero severity rate. The company reported 5 total recordable injuries, resulting in a combined TRIR of 2.78 as per the European standard calculation basis of 1,000,000 working hours.

Safety Trainings

Safety training is an integral part of PharmaZell India's workplace health and safety culture. During CY 2025, employees and contract workforce across Vizag and Chennai were covered all the planned annual safety training sessions and a few structured safety awareness programs focused on hazard identification, safe handling of chemicals, PPE and RPE usage, permit-to-work awareness, incident and near-miss reporting, emergency evacuation, first aid and basic fire-fighting. These trainings helped strengthen employee preparedness, improve safe work behaviour and reinforce the importance of proactive risk prevention across routine and non-routine operations.

Kaizen-Led Safety Improvements

During CY 2025, PharmaZell Vizag and Chennai implemented multiple shopfloor safety Kaizen improvements to proactively address operational hazards and strengthen workplace safety. Key initiatives included enhanced fire protection systems, LEL detectors, smoke escape hoods, AODD pumps for solvent transfer, vent line modifications, chemical segregation controls, Earth-Rite static control, fall protection systems and workplace decongestion activities. These Kaizens demonstrate the site's practical risk-based approach to improving fire safety, process safety, emergency preparedness, chemical handling and employee protection.

Site	Focus Area	Key Improvements Implemented	Safety / ESG Impact
Chennai	**Risk Elimination**	Pipeline transfer systems introduced for bulk material handling; manual handling activities reduced; odorous powder-generating activity eliminated; hot material transfer shifted to closed pipeline system; additional storage tanks provided to reduce drum-based solvent handling	Reduced manual handling, chemical exposure and operator fatigue; improved occupational safety and safer solvent handling practices
Chennai	**Engineering Controls**	Powder transfer system introduced for bulk raw material dispensing; interlock systems initiated to stop solvent transfer during emergency conditions, overfill risk or pump dry-running situations	Strengthened process safety controls, reduced spill / overflow risk and improved prevention of unsafe operating conditions
Chennai	**Emergency Response Preparedness**	Water-foam sprinklers installed in new solvent storage area; emergency panels interlinked for quicker communication; additional hooters and smoke detectors installed in silent / expansion areas; hydrant system readiness configured in emergency control panel	Improved fire protection, emergency communication, detection capability and overall emergency response readiness

Site	Focus Area	Key Improvements Implemented	Safety / ESG Impact
Vizag	**Fire Protection & Emergency Response**	CO_2 suppression system for block MCC room; modular fire extinguishers; water sprinkler systems; AAAQ foam system; fire extinguishers provided at PNG gas station, water plant, boiler terrace, DG area and solvent dispensing shed	Strengthened fire prevention and emergency response readiness across high-risk areas
Vizag	**Flammable Vapour Detection & Control**	32 LEL detectors installed in electrical panel rooms; spiral vent condensers, flame arrester, nitrogen blanketing and pressure control valve installed for acetone tanks	Improved early warning for flammable vapours and reduced fire / explosion risk
Vizag	**Emergency Evacuation Preparedness**	25 smoke escape hoods arranged across 14 areas	Improved employee preparedness and safe evacuation capability during emergencies
Vizag	**Solvent Handling Safety**	AODD pumps installed for spent solvent transfer from Kilo Lab and MPP vacuum pump areas	Reduced solvent spillage risk and minimized static electricity generation during transfer
Vizag	**Process Safety Improvements**	Vent line modifications for catalyst tanks, dump tank and methanol storage tank; vacuum pump vent line modification; process water line correction	Reduced pressurization, vapour exposure, back pressure and unsafe process conditions
Vizag	**Static Electricity Control**	Earth-Rite system with tanker recognition installed	Supported safe discharge of static charge during tanker operations and alerts operators in case of earthing failure
Vizag	**Fall Protection & Access Safety**	Lifeline with fall arresting system installed	Reduced fall risk during tanker sampling and related work-at-height activities
Vizag	**Infrastructure Safety Improvements**	GI sheets and pressure transmitter installed for hot oil skid; shed arranged for hot oil expansion tank; SS stands provided for clean room fire extinguishers	Reduced oil splash risk, improved equipment protection and strengthened workplace safety conditions

Health and Safety Emergency Action Plan

PharmaZell India maintains emergency preparedness and response arrangements to manage potential workplace emergencies such as fire, chemical spill, toxic release, utility failure, natural calamity and medical emergencies. Emergency controls include onsite emergency planning, emergency response teams, fire protection systems, evacuation procedures, first-aid arrangements, mock drills, spill response kits, emergency equipment checks and periodic awareness sessions. Emergency preparedness is reviewed through drills, inspections, training and corrective actions.

Emergency preparedness element	Purpose
Onsite emergency plan	Defines response actions for identified emergency scenarios
Emergency response team	Supports immediate response during site emergencies
Fire drills / mock drills	Tests emergency readiness and evacuation effectiveness
Fire protection systems	Supports fire detection, control and response
Spill response arrangements	Controls chemical spill and containment risks
First-aid and medical support	Provides immediate support during injury or health emergency
Emergency equipment checks	Ensures readiness of emergency systems and equipment
Training and awareness	Builds employee and contractor preparedness

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Together, these Kaizen-led safety improvements demonstrate PharmaZell India's practical approach to risk reduction and continuous improvement. By addressing hazards at the source, strengthening engineering controls, improving emergency readiness and reducing manual handling risks, the sites continue to build a safer and more resilient workplace. These actions support our zero-harm mindset and reinforce our commitment to proactive safety management across Vizag and Chennai operations.

ORGANISATION : BUILDING TRUST

Key Topics

- Operational Excellence and Resource Optimization
- Innovation and responsible manufacturing
- Customer Health ,Safety and Quality
- Cooperate ethics and legal compliance
- Ethical business practices
- Cybersecurity and data privacy measures
- Commitment to Human rights & Child labour

Operational Excellence and Resource Optimization

During 2025, PharmaZell India continued to drive operational excellence through structured cost saving and resource optimization initiatives across Vizag and Chennai sites. The initiatives covered procurement optimization, alternate vendor development, logistics improvements, energy efficiency, utility optimization, waste disposal cost reduction, internalization of analytical studies, process improvements and administrative savings. These actions contributed to improved operational efficiency, better resource utilization and stronger cost discipline while supporting the company's broader sustainability and continuous improvement agenda.

1. Resource Optimization	**Examples:** Steam, electricity, water, solvent, consumables
2. Waste Reduction / Waste Value Recovery	**Examples:** Salt disposal, organic residue, spent solvent sale, poly bag segregation
3. Energy Efficiency	**Examples:** Third-party power purchase, chiller pump replacement, condensate recovery, MEE improvements
4. Process Efficiency	**Examples:** Batch cycle time reduction, ethanol distillation, centrifuge time reduction
5. Responsible Procurement	**Examples:** Alternate vendor development, negotiation, raw material savings
6. Internal Capability Building	**Examples:** Internal challenge studies, reduced external testing dependence
7. Administrative Efficiency	**Examples:** HR administration, insurance and overtime optimization

These initiatives reflect PharmaZell India's commitment to embedding operational excellence into daily ways of working. By focusing on resource optimization, waste reduction, energy efficiency, process improvement, responsible procurement and internal capability building, the company continues to strengthen efficiency, resilience and sustainable manufacturing practices across its operations.

Innovation and Responsible Manufacturing

PharmaZell India's R&D and technical teams support responsible manufacturing by contributing to process understanding, quality improvement, technology transfer, process optimization and operational excellence. In the API industry, innovation is not limited to new products; it also includes improving process safety, reducing resource consumption, strengthening product quality, enhancing yield, minimizing waste and supporting reliable scale-up from development to commercial manufacturing.

The R&D, production, quality, engineering and EHS teams work together to identify improvement opportunities across manufacturing processes. These cross-functional efforts help strengthen compliance, reduce operational risks, improve efficiency and support PharmaZell India's broader sustainability objectives.

Details	Count
Total R&D / Innovation Team Strength	46
Vizag Average FTE 2025	282
R&D Workforce Percentage	**16%**

In CY 2025, PharmaZell Vizag had a 46-member R&D and innovation team, representing approximately 16% of the Vizag workforce. This reflects the site's strong technical capability in Chemical R&D, Analytical R&D, IPM, and Products & Portfolio functions, supporting process development, analytical support, technology transfer, product lifecycle management and operational excellence.

Research and Development laboratory, Vizag

Customer Health, Safety and Quality Compliance

PharmaZell India supports customer health and safety through GMP-compliant manufacturing, robust quality systems and responsible product stewardship. As a B2B API manufacturer, our focus is to ensure that products supplied to pharmaceutical customers meet applicable quality, safety and regulatory expectations.

Our systems include product documentation, batch traceability, Safety Data Sheet communication, deviation handling, change control, complaint review and CAPA management. These practices help ensure product integrity, customer confidence and responsible communication of product-related safety information.

Critical Audit Observations

0

CY 2025

Quality and customer safety are supported through cross-functional coordination between production, quality, R&D, engineering, warehouse, supply chain and EHS teams. Through internal reviews, audits, employee training and process monitoring, we continue to strengthen compliance, product quality and customer trust

GMP / Quality compliance status

100%

CY 2025

PharmaZell India follows applicable quality, regulatory and customer requirements for product documentation, batch traceability, Safety Data Sheet communication and product-related information. During CY 2025, no incidents of non-compliance were reported concerning product and service information, labeling or marketing communications.

No incidents of non-compliance concerning product/service information, labelling, or marketing communications were reported during CY 2025

KPI	CY 2025 Status
Product Traceability	Maintained through batch documentation and quality records
SDS Communication	Maintained wherever applicable
Complaint / CAPA Process	Managed through defined quality system
Product Stewardship	Supported through Product End-of-Life Policy

Driver	How We Practice It
Product Quality and Traceability	Defined quality systems support product safety, consistency, documentation and batch traceability.
Risk-Based CAPA Management	Deviations, observations and improvement areas are reviewed through corrective and preventive action processes.
Customer Engagement	Customer requirements, feedback, audits and quality expectations are addressed through structured communication and follow-up.

Corporate Ethics and Legal Compliance

At PharmaZell India, integrity, transparency and accountability are fundamental to the way we conduct business. Guided by Axplora's Code of Business Conduct and global ethics framework, we are committed to operating responsibly, complying with applicable laws and regulations, and upholding high standards of ethical conduct across our Vizag and Chennai operations.

Our governance approach is supported by a structured policy framework covering business conduct, anti-corruption, anti-money laundering, gifts and hospitality, whistleblowing, human rights, cybersecurity, supplier conduct and ESG principles. These policies help employees and business partners understand expected behaviours, manage compliance risks and make decisions that reflect PharmaZell India's values and responsibilities.

Through regular policy trainings, internal communication, management oversight and accessible reporting channels, we continue to strengthen a culture where ethical behaviour is encouraged, concerns can be raised without fear of retaliation, and responsible decision-making is embedded into day-to-day operations. During CY 2025, identified policy trainings were completed with 100% attendance across Vizag and Chennai, reinforcing our commitment to business integrity, legal compliance and stakeholder trust.

Policies and Principles

PharmaZell India's ethics and compliance framework is built on clear policies, defined responsibilities and continuous awareness. The Code of Business Conduct sets expectations for integrity, respect, compliance and fair business practices, while supporting policies on anti-corruption, anti-money laundering, gifts and hospitality, whistleblowing, cybersecurity and human rights provide focused guidance on key compliance areas. Together, these policies serve as the foundation for responsible governance and help ensure that our operations are conducted with fairness, transparency and accountability.

Axplora/ PharmaZell ESG Policies

Our ESG governance is supported by a structured policy framework that guides ethical conduct, compliance, employee welfare, environmental responsibility, and sustainable business practices across our operations.

- Code of Business Conduct (COBC)
- Anti-Corruption Policy
- Anti-Money Laundering (AML) Policy
- Gifts and Hospitality Policy
- Human Rights Policy
- SHE Policy (Safety, Health & Environment)
- ESG Policy
- Career Management and Training Policy
- Social Dialogue Policy
- Axplora Supplier Code of Conduct
- Whistleblowing policy
- Sustainable procurement policy
- Social Dialogue Policy
- POSH & Anti Harassment Policy
- Grievance Redressal policy
- Due Diligence policy
- Living Wages Policy

POLICIES

Ethical Business Practices

At PharmaZell India, ethical business practices are embedded into everyday decision-making through clear policies, defined responsibilities, employee awareness and accessible reporting channels. Our ethics framework applies across employees, contractors, suppliers and business partners, helping ensure that business is conducted with integrity, fairness, transparency and respect.

Key Practices Enforced

Integrity and Transparency:

Employees, contractors and business partners are expected to follow Axplora's Code of Business Conduct and related ethics policies. This supports honest decision-making, fair dealing, accurate documentation and responsible communication.

Zero Tolerance for Corruption and Bribery:

PharmaZell India follows Axplora's zero-tolerance approach to bribery, corruption, facilitation payments, illegal payments and improper business advantage. Employees are expected to avoid conflicts of interest and follow defined approval requirements for gifts, hospitality and third-party engagement.

Whistleblowing and Non-Retaliation:

Employees and stakeholders are encouraged to raise concerns through internal reporting channels and Axplora's whistleblowing platform. Reports are expected to be handled confidentially, with protection against retaliation for good-faith reporting.

Ethics : Guiding Policies

Anti-Corruption Policy

We follow Axplora's Anti-Corruption Policy, which prohibits bribery, facilitation payments, fraudulent conduct, illegal payments and any improper advantage in dealings with government officials, customers, suppliers, contractors and other third parties. No corruption incidents were reported during CY 2025.

Gifts and Hospitality

Gifts and hospitality are governed by defined ethical expectations to avoid improper influence, conflict of interest or reputational risk. Employees are expected to follow approval requirements and ensure that any business courtesy remains reasonable, transparent and compliant.

Supplier Code of Conduct

Supplier expectations are communicated through Axplora's Supplier Code of Conduct, covering legal compliance, labour practices, human rights, ethics, health and safety, environment, data protection and responsible business conduct.

Speak-Up Culture

We encourage employees and stakeholders to report suspected misconduct, policy violations or unethical behaviour through available reporting channels, including Axplora's whistleblowing platform. Good-faith reporting is supported through confidentiality and non-retaliation principles.

PharmaZell India does not make political contributions, either directly or indirectly, as part of its ethical business conduct and compliance practices. During CY 2025, no political contributions were made by PharmaZell India.

Business Ethics: Ongoing Commitments

Focus Area	Targets for 2026
Business ethics and anti-corruption	Continue 100% awareness coverage on Code of Business Conduct, anti-corruption, whistleblowing and related ethics policies for applicable employees.
Conflict of interest and gifts & hospitality	Continue strengthening employee awareness on conflict-of-interest disclosure, gifts and hospitality approval requirements, and responsible third-party engagement.
Fraud and misconduct prevention	Continue reviewing reported ethics, fraud or misconduct concerns through defined reporting and investigation channels.
Anti-money laundering and business partner compliance	Continue applying applicable compliance screening and due diligence controls for relevant business partners.
Information security and data privacy	Continue 100% cybersecurity awareness coverage for applicable employees and strengthen secure access, data handling and incident reporting practices.

Robust Cybersecurity and Data Privacy Measures

At PharmaZell India, cybersecurity and data privacy are integral to responsible operations and risk management. Guided by Axplora's Cybersecurity Policy, we are committed to protecting information assets, supporting business continuity, and promoting secure digital practices across our Vizag and Chennai operations. Our approach combines governance, employee awareness, responsible system usage and defined reporting mechanisms to strengthen resilience against cyber risks.

Cybersecurity and Digital Risk Management

This approach is based on prevention, awareness and responsible digital behaviour. The policy framework provides guidance on secure access, password hygiene, protection of business information, safe use of digital systems and timely reporting of suspicious activity. This helps strengthen operational continuity, safeguard confidential data and reduce the risk of cyber-related disruptions.

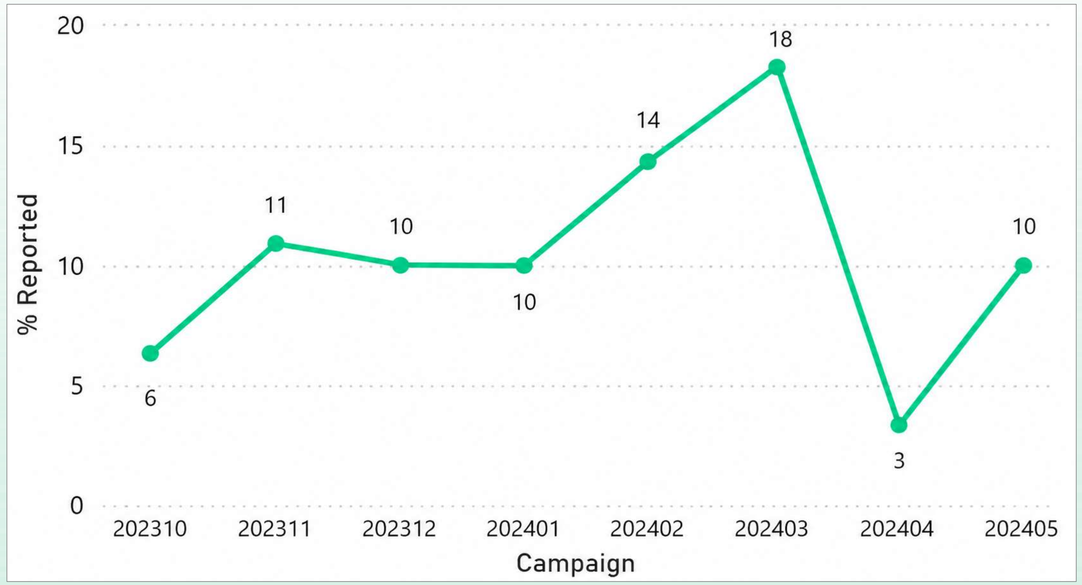
Governance and Control Framework

Cybersecurity at PharmaZell India is supported through Axplora's policy framework, internal communication and role-based responsibilities for secure system usage. Employees are expected to follow defined requirements for access control, data handling, confidentiality and acceptable use of IT resources. These controls help protect business information, support compliance and reinforce accountability in digital operations.

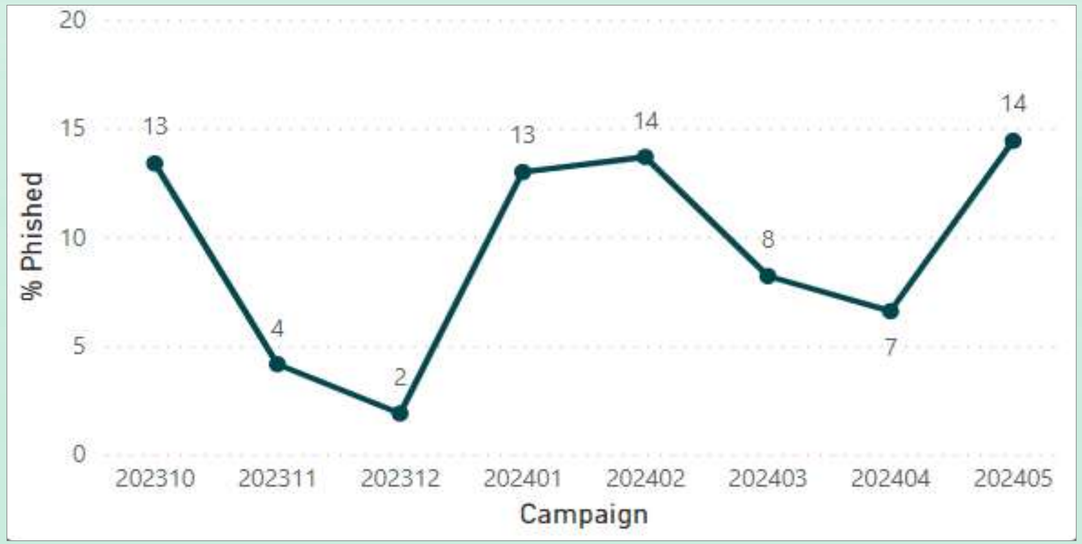
Data Privacy and Responsible Information Handling

We recognize the importance of handling employee, business partner and company information responsibly. Employees are expected to maintain confidentiality, protect sensitive information and use digital platforms in a secure and compliant manner. Our cybersecurity and ethics framework together support responsible data handling, privacy awareness and disciplined use of company systems.

Phishing Click Rate in Recent Campaigns



Suspicious Email Reporting Rate in Recent Campaigns



PharmaZell India's Commitment to Human Rights

PharmaZell India is committed to respecting human rights across its operations and business relationships. Guided by Axplora's Human Rights Policy, Code of Business Conduct and Supplier Code of Conduct, we support responsible employment practices, workplace dignity, fair treatment, non-discrimination, prevention of child and forced labour, freedom of association, privacy and data protection.

Our approach is aligned with internationally recognized principles, including the UN Guiding Principles on Business and Human Rights, UN Global Compact principles and ILO core labour standards. These principles are embedded through policy awareness, recruitment controls, contractor compliance checks, supplier expectations, grievance redressal mechanisms and training programs.

Focus Area	PharmaZell India Approach
Freely Chosen Employment	Employment is voluntary, and forced, bonded or compulsory labour is not tolerated.
Non-Discrimination	Equal opportunity and fair treatment are promoted irrespective of gender, background, belief or personal characteristics.
Fair Treatment and Dignity	Harassment, intimidation, abuse or inhumane treatment are not tolerated.
Wages and Working Conditions	Employment practices follow applicable wage, benefit, working time and labour law requirements.
Freedom of Association	Employee rights to communicate openly and participate in lawful representation processes are respected.
Privacy and Data Protection	Personal and business partner data are handled responsibly and confidentially.
Supplier and Contractor Expectations	Suppliers and contractors are expected to follow responsible labour, human rights, ethics and compliance standards.

No Child Labour : Protecting the Future

We follow a zero-tolerance approach to child labour across its operations and business relationships which is guided by human rights policy. Employment practices are governed by legal age requirements, age verification records, contractor controls, supplier expectations and policy awareness. During CY 2025, **zero incidents of child labour** were reported across Vizag and Chennai sites.

Focus area	PharmaZell India practice
Child labour prevention	Age verification through official documents during recruitment and onboarding
Forced labour prevention	Employment is voluntary and forced, bonded or compulsory labour is not tolerated
Human trafficking prevention	Recruitment and contractor engagement practices are monitored to support responsible labour practices
Contractor workforce controls	Contractor manpower engagement is monitored for applicable labour law compliance
Supplier expectations	Suppliers are expected to follow responsible labour practices through the Supplier Code of Conduct
Grievance and reporting channels	Employees, workers and stakeholders can raise concerns related to labour practices or human rights

PharmaZell India does not tolerate child labour, forced labour, bonded labour, compulsory labour or human trafficking in its operations or business relationships. This commitment is supported through recruitment controls, age verification, contractor compliance checks, supplier expectations, policy awareness and grievance reporting channels.

Our human rights commitment is supported by grievance redressal and whistleblowing mechanisms that allow employees, workers and stakeholders to raise concerns related to workplace conduct, labour practices, harassment, discrimination, human rights, ethics or suspected non-compliance. Concerns are reviewed through defined internal mechanisms, supporting timely resolution, accountability and non-retaliation.

Zero incidents of violations involving the rights of indigenous peoples were reported across PharmaZell India operations during **CY 2025.**

No violations related to freedom of association or collective bargaining were reported across PharmaZell India operations during **CY 2025.**

Supplier expectations on labour rights are addressed through the Supplier Code of Conduct and supplier assessment process.

Zero
reported child labour incidents across PharmaZell India operations during **CY 2025.**

Compliance and Ethics Training

As part of our governance and compliance framework, we conducted structured compliance and ethics training across Vizag and Chennai during CY 2025. The trainings covered key policy areas that support ethical business conduct, responsible supplier engagement, human rights awareness, cybersecurity, anti-corruption, ESG principles and speak-up culture.

We use these trainings to ensure that employees understand expected behaviours, reporting channels, compliance responsibilities and the importance of acting with integrity in day-to-day decisions.

KPI	Vizag	Chennai	PharmaZell India Status
Code of Business Conduct	100%	100%	100%
Supplier Code of Conduct Policy	100%	100%	100%
ESG Policy	100%	100%	100%
Whistleblowing / Speaking Up Policy	100%	100%	100%
Cybersecurity Policy	100%	100%	100%
Human Rights – Focus on Harassment	100%	100%	100%
Anti-Corruption Policy	100%	100%	100%

During the year, a total of seven policy training modules were rolled out across both sites, covering the Code of Business Conduct, Supplier Code of Conduct Policy, ESG Policy, Whistleblowing / Speaking Up Policy, Cybersecurity Policy, Human Rights – Focus on Harassment, and Anti-Corruption. Together, these topics reflect the organization's broader ESG priorities and support alignment with the governance and social dimensions of sustainability. The training program also contributed to building a stronger culture of policy awareness, compliance ownership, and responsible decision-making at all levels.

Both Vizag and Chennai achieved 100% completion across all seven policy training sessions during the year. This reflects strong implementation discipline, active participation, and effective coordination across departments to ensure full employee coverage.

ESG & Compliance Highlights 2025

As part of PharmaZell India's commitment to responsible governance and ethical business conduct, both the Vizag and Chennai sites conducted a structured series of ESG and compliance-related policy training sessions. These trainings were designed to strengthen employee awareness, reinforce Axplora Group expectations, and embed key principles of ethics, accountability, human rights, cybersecurity, and responsible business practices across the organization.

1. Policy Implementation
- 7 policy training sessions completed across Vizag and Chennai.
- 100% completion achieved across all seven sessions
- Standardized Axplora Group policies communicated across both sites

2. Oversight & Monitoring
- Training progress monitored through site and management review mechanisms
- Compliance and ESG awareness reinforced through structured review and follow-up
- Periodic internal checks supported alignment with Group requirements

3. Grievance Mechanism
- Employees and third parties can report concerns through Axplora's integrity platform
- Awareness on grievance and whistleblower channels covered during training
- Mechanisms support confidential and responsible reporting

4. Site-wide Alignment
- Common training framework deployed for both Vizag and Chennai sites
- HR, ESG, and Compliance functions supported implementation
- Policy awareness embedded into everyday operations and employee induction

RESPONSIBLE VALUE CHAIN

Key Topics

- Sustainable Supply Chain Management
- Supply Chain Risk Management
- Supplier Sustainability Assessment

Sustainable Supply Chain Management

PharmaZell India recognizes that a responsible and resilient supply chain is essential to sustainable API manufacturing. Our supply chain approach integrates quality, safety, environmental responsibility, labour and human rights, ethics, compliance and business continuity considerations into procurement and supplier engagement practices. Guided by Axplora's Sustainable Procurement Policy and PharmaZell's internal sustainable procurement procedure, we aim to embed sustainability across supplier selection, due diligence, vendor qualification, contractor compliance, logistics, warehousing and supplier capacity building.

Our Supply Chain Approach

PharmaZell India's supply chain management covers procurement and outsourcing, raw materials, packaging materials, capital goods, consumables, finished goods warehouse, shipping and logistics. Procurement decisions are supported by defined processes such as early procurement involvement, competitive bidding, supplier evaluation, spend analytics, risk assessment and supplier qualification. This helps ensure that sourcing decisions are aligned not only with cost, quality and delivery requirements, but also with ESG expectations and continuity of supply.

Responsible Procurement and ESG Integration

PharmaZell India integrates sustainability into procurement through supplier self-assessments, ESG data collection, sustainability risk assessments, supplier performance reviews, supplier training and contract clauses covering environmental, labour and human rights requirements. Supplier selection criteria include quality, technical capability, sustained performance, product quality, commercial terms, continuity of supply risk and ESG considerations.

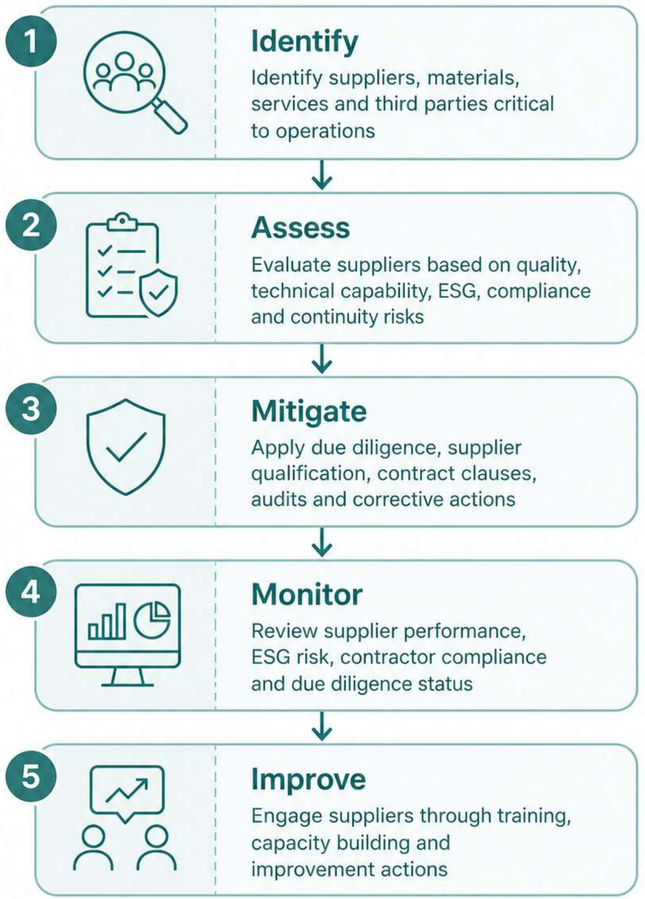
The sustainable procurement procedure also defines responsibilities for procurement teams, suppliers, employees and management. Procurement is responsible for applying sustainability practices and evaluation frameworks, while suppliers are expected to comply with sustainability criteria and the Supplier Code of Conduct.

Supply Chain Risk Management

PharmaZell India manages supply chain risk through a combination of supplier qualification, third-party due diligence, contractor audits, ESG risk assessment and operational controls. The third-party due diligence process applies to both new and existing suppliers and classifies third parties as low, medium or high risk before engagement. Depending on the risk level, due diligence may include questionnaire verification, sanctions and watch-list screening, media searches, politically exposed person checks, public database searches and reference verification.

Vendor qualification is managed through a formal SOP covering identification, qualification, approval, evaluation and requalification of suppliers for API starting materials, raw materials, packing materials, secondary packing materials and intermediates. This includes vendor questionnaires, COAs, declarations, quality agreements, risk assessments, vendor audits and approved vendor lists.

Supply Chain Risk Management Framework



Supplier Screening and Due Diligence

PharmaZell India strengthens supplier governance through structured screening and due diligence. The supplier due diligence process tracks communication of Axplora's Code of Conduct, return of signed supplier acknowledgement, supplier training attendance, internal audits at supplier premises, corrective action plans based on audit findings and finance-related due diligence status.

In CY 2025, PharmaZell India also initiated supplier ESG risk assessment through **EcoVadis IQ+** for selected suppliers across Vizag and Chennai. This supports identification of supplier-level sustainability risks and enables further engagement through scorecards, follow-up and improvement actions.

Contractor and Labour Compliance

Contractor compliance is monitored through structured audits covering contractor licence, work order, identity cards, appointment orders, wage records, ESI/PF challans, overtime records, PPE issue registers and statutory returns. Worker interviews also cover age proof, working hours, weekly off, wage payment mode, overtime, deductions, original document retention, PPE payment and grievance reporting channels.

This helps PharmaZell India manage labour-related risks such as child labour, forced labour, wage non-compliance, unsafe working conditions and lack of grievance access.

Safe Warehousing, Logistics and Resource Responsibility

PharmaZell's SCM manual defines controls for safe receipt, storage, handling, loading, unloading, shipping and logistics. These include vehicle shutdown during loading and unloading, wheel chocking, verification of material condition, inventory control, FIFO for shelf-life items, ambient storage conditions, safe stacking height, material handling equipment, chemical labelling, secondary containment, spill control and PPE requirements.

Supply chain operations also support responsible waste and scrap management through segregation of pallets, cartons, poly bags, general waste, hazardous waste, e-waste and used batteries. Reduce, reuse, recycle and recovery practices are followed wherever applicable, with disposal through authorized recyclers and approved channels.

Supplier Capacity Building and Decarbonization Engagement

As part of PharmaZell India's decarbonization roadmap, a supplier capacity building session was conducted covering 24 key suppliers from Vizag and Chennai. The session focused on climate change, greenhouse gas emissions, Scope 1 and Scope 2 data collection, supplier-level carbon footprint assessment and the role of suppliers in supporting Axplora's climate ambition. This initiative supports future Scope 3 emissions reduction efforts and strengthens ESG awareness across the value chain.

Our Policies

Axplora Sustainable Procurement Policy:

PharmaZell India follows Axplora's Sustainable Procurement Policy, which defines responsible procurement principles covering ESG integration, Supplier Code of Conduct adherence, Source-to-Pay governance, supplier engagement and sustainable sourcing. The policy supports procurement decisions that consider quality, compliance, environmental responsibility, labour and human rights, ethics, business continuity and long-term supplier partnership.

Supplier Code of Conduct:

PharmaZell India communicates supplier expectations through Axplora's Supplier Code of Conduct, covering responsible business conduct, ethics, environmental standards, labour practices, human rights, health and safety, compliance and transparency. Suppliers are expected to acknowledge and follow these principles as part of responsible value chain management.

Third-Party Due Diligence Procedure:

PharmaZell India has implemented a Third-Party Due Diligence Procedure for new and existing suppliers to support ethical sourcing and risk-based supplier screening. The process classifies suppliers as low, medium or high risk and includes due diligence checks, red-flag review, mitigation actions and escalation where required.

2025 Key Highlights of Supply chain management

Supplier ESG Risk Assessment	EcoVadis IQ+ assessment conducted for Vizag and Chennai suppliers Status - Completed
Supplier Capacity Building	24 key suppliers covered under decarbonization and GHG awareness session Status - Completed
Sustainable Procurement	Sustainability criteria integrated into supplier selection and procurement procedures Status - Ongoing
Third-Party Due Diligence	Risk-based due diligence process implemented for new and existing suppliers Status - Implemented
Vendor Qualification	Formal qualification and requalification process followed for critical materials Status - Ongoing
Resource Responsibility	Waste segregation, recycling, reuse and authorized disposal practices followed Status - Ongoing

Supplier Sustainability Assessment and Engagement

PharmaZell India continued supplier sustainability engagement across Vizag and Chennai during CY 2025. The approach included supplier ESG assessment at Vizag and supplier CSR assessment at Chennai, supported by broader supplier risk screening through EcoVadis IQ+ for selected Vizag and Chennai suppliers. While the site-level assessment formats differed, both activities supported the common objective of strengthening responsible sourcing, supplier awareness and alignment with sustainable procurement expectations.

Supplier Sustainability Assessment Status

Site	Assessment Type	Suppliers Covered	Responses Received	Pending Responses	Completion / Coverage
Vizag	Supplier ESG Assessment	41	39	2	95%
Chennai	Supplier CSR Assessment	10	9	1	90%

PharmaZell India continued supplier sustainability engagement across Vizag and Chennai through site-specific assessment approaches. At Vizag, Supplier ESG Assessment coverage reached 95% cumulatively up to CY 2025, with responses received from 39 out of 41 selected suppliers. At Chennai, Supplier CSR Assessment was conducted during CY 2025 for 10 selected vendors, with responses received from 9 vendors, achieving 90% coverage. These assessments support responsible sourcing, supplier awareness and alignment with PharmaZell India's sustainable procurement expectations.

Through sustainable procurement policies, supplier ESG assessment, third-party due diligence, contractor compliance checks, vendor qualification, supplier capacity building and safe logistics practices, PharmaZell India continues to strengthen sustainable supply chain management. This approach supports ethical sourcing, environmental responsibility, labour and human rights protection, supplier accountability and long-term value chain resilience across Vizag and Chennai operations.

Chennai Site (PharmaZell, Axplora)

ESG Key Performance Index – PharmaZell India

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
1	Employees	Nos	519	509	525
Environment					
2	Total Energy Consumption (Including Solar)	kWh	27701454	27799210	30,943,388
3	Total Renewable Energy Consumption	kWh	55280	2350964	8,451,629
4	Total Scope 1 GHG Emissions	Metric tons CO_2	7810.39	7,005.27	8,311
5	Total Scope 2 GHG Emissions	Metric tons CO_2	19834.24	18,539.51	15,969.10
6	Total Scope 3 GHG Emissions (All categories)	Tons CO_2 Eq	40,607.5	43,971.0	39,481.00
7	Scope 3 - Capital Goods	Tons CO_2 Eq	871.7	528.7	1,414.01
8	Scope 3 - Purchased Goods and Services	Tons CO_2 Eq	10,804.3	35,755.5	30,952.43
9	Scope 3 - Fuel and Energy-Related Activities	Tons CO_2 Eq	25,833.8	3,084.0	4,820.84
10	Scope 3 - Upstream Transportation and Distribution	Tons CO_2 Eq	303.4	4,395.8	1,600.45
11	Scope 3 - Waste Generated in Operations	Tons CO_2 Eq	2,231.9	34.9	32.9
12	Scope 3 - Business Travel	Tons CO_2 Eq	91.4	32.1	73.6
13	Scope 3 - Employee Commute	Tons CO_2 Eq	117.5	139.9	421.7
14	Scope 3 - Upstream Leased Assets	Tons CO_2 Eq	0.0	0.0	0.0
15	Scope 3 - Downstream Transport and Distribution	Tons CO_2 Eq	353.5	0.0	165.0
16	Total Water Consumption (Fresh water)	KL	136,367	117398	134,183
17	Recycled water	KL	52,610	69,970	66,130
18	Recycled water to cooling tower	KL	29,653	39,306	43,017
19	Total Weight of Waste	Tons	55,921.9	52,209.4	61,861.5
20	Total Weight of Hazardous Waste Recovered (Recycled/Co-Processed)	Tons	4,511.64	3,984.36	3,712.5
21	Total Weight of Hazardous Waste	Tons	55,650.09	51,961.65	62,613.43
22	Total Weight of Non-Hazardous Waste	Tons	271.85	247.83	212.88
23	Total Weight of Hazardous Waste Recovered	Tons	10,225.50	9,712.54	9,303.7
24	% of Employees Trained on Environmental Issues	%	100.00	100.00	100.00
25	% of Operational Sites Covered Under Environmental Risk Assessment	%	100.00	100.00	100.00
26	Air pollutants discharged	Tons	34.28	31.67	12.80
27	% of Operating Sites Certified with ISO14001	%	100.00	100.00	100.00
28	Quantity of Finished goods that are expired at the site	Tons	8.92	2.53	8.20
29	Percentage of unused or expired medicines collected for recycling or treatment compared to the total volume of products sold	%	0.4%	0.1%	0.3%
Biodiversity					
30	Sites Covered Under Biodiversity Assessment	Yes/No	NA	NA	NA
31	Number of Incidents Reported Related to Biodiversity Loss	Nos	0	0	0
32	Total Number of Trees Available Within the Plant Premises	Nos	93	3,108	3,140
Labour & Human Rights					
33	Stress-relieving activities measures in place	Yes/No	Yes	Yes	Yes
34	% of operational sites covered under employee health & safety risk assessment	%	100	100	100
35	Compensation for extra or atypical working hours paid	Yes/No	Yes	Yes	Yes

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
36	Additional days leave beyond standard vacation days granted	Yes/No	Yes	Yes	Yes
37	% of sites covered under human rights impact assessment	%	100	100	100
38	% of operational sites certified with ISO 45001	%	100	100	100
39	% of employees represented in joint worker health & safety committee	%	10%	12%	12%
40	% of employees covered by collective agreement	%	0	0	0
41	% of employees covered by formally elected employee representative	%	0	0	0
42	% of eligible employees receiving regular performance and career reviews	%	100	100	100
43	% of employees receiving career or skill-related training	%	100	100	100
44	% of employees trained on preventing discrimination & human rights violation	%	100	100	100
45	Average hours of training provided per employee	hrs	23	21	17
46	Average adjusted gender pay gap	%	0	0	0
47	% of employees from minority groups in organization	%	1.4	1.6	1.7
48	% of minority group employees in top executive positions	%	6.9	6.9	6.7
49	% of women in the workforce	%	4.8	4.9	4.2
50	% of women in top executive positions	%	6.9	6.9	6.7
51	% of employees with flexible or irregular work arrangements	%	0	0	0
52	% of employees offered healthcare coverage	%	100	100	100
53	No of manhours worked	hrs	2129392	2189592	1800912

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
54	Number of days lost due to injuries	#	0	0	0
55	Lost time injury (LTI) events	#	0	0	0
56	LTI frequency rate for direct workforce	#	0	0	0
57	LTI severity rate for direct workforce	#	0	0	0
58	Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all employees	%	36	30	30
59	Percentage of direct employees covered by a living wage benchmarking analysis	%	100	100	100
60	Percentage of direct employees paid below the living wage	%	0	0	0
61	Percentage of all employees paid below the living wage, including direct employees and non-employee workers	%	0	0	0
62	Percentage of the average wage gap for direct employees paid below the living wage compared to a reference threshold	%	0	0	0
63	Number of identified discrimination or harassment incidents or corrective actions	#	0	0	0
64	Percentage of employees trained in business ethics	%	100%	100%	100%
65	Number of confirmed corruption incidents	#	0	0	0
66	Number of confirmed information security incidents	#	0	0	0
Ethics & Compliance					
67	% of employees trained on business ethics issues	%	100%	100%	100%
68	Number of whistleblower reports received	#	0	0	0
69	Number of confirmed corruption incidents	#	0	0	0

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
70	Number of confirmed information security incidents	#	0	0	0
71	% of sites covered under internal business ethics risk assessment	%	100	100	100
72	Number of business partners who underwent anti-corruption due diligence	#	0	0	7
73	% of operating sites certified with anti-corruption management system	%	0	0	0
74	% of employees who underwent IT security training	%	100%	100%	100%
75	% of employees trained on whistleblower procedure	%	0%	0%	100%
Sustainable Procurement					
76	% of procurement spend (within India)	%	33%	59%	29%
77	% of targeted suppliers that have signed the supplier code of conduct	%	92%	93%	85%
78	% of targeted SCM members trained on supplier code of conduct	%	100%	100%	100%
79	% of suppliers with contracts that include environmental, labor, and human rights clauses	%	100%	100%	100%
80	% of targeted suppliers covered by a CSR assessment	%	93%	93%	94%
81	Number of targeted suppliers that have undergone a CSR on-site audit	#	7	10	10
82	Number of diverse suppliers on spend (MSME/Women/Minority owned)	#	182	254	225

Site-specific environmental and social data of PharmaZell (India) Private Limited are elaborated in **Annexure IV and V on pages 71-76**.

ANNEXURE I

Abbreviations

Abbreviation	Meaning
AA1000AS	AccountAbility Assurance Standard
AML	Anti-Money Laundering
ANVISA	Agência Nacional de Vigilância Sanitária, Brazil
APEPDCL	Andhra Pradesh Eastern Power Distribution Company Limited
API	Active Pharmaceutical Ingredient
B2B	Business-to-Business
BCP	Business Continuity Plan
BU	Business Unit
CAPA	Corrective and Preventive Action
CCO	Chief Commercial Officer
CDMO	Contract Development and Manufacturing Organization
CDP	Carbon Disclosure Project
CDSCO	Central Drugs Standard Control Organization
CEMS	Continuous Emission Monitoring System
cGMP	Current Good Manufacturing Practice
CII	Confederation of Indian Industry
COBC	Code of Business Conduct
COO	Chief Operating Officer
CSR	Corporate Social Responsibility
DG	Diesel Generator
DISH	Directorate of Industrial Safety and Health
DoE	Design of Experiments
EHS	Environment, Health and Safety
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
ESI	Employee State Insurance
ETP	Effluent Treatment Plant
FDA	Food and Drug Administration
FIFO	First In, First Out
FTE	Full-Time Equivalent
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GRI	Global Reporting Initiative
HAZOP	Hazard and Operability Study
HIRA	Hazard Identification and Risk Assessment
HTDS	High Total Dissolved Solids
ICC	Indian Chemical Council
ILO	International Labour Organization
IMS	Integrated Management System
ISO	International Organization for Standardization
LEL	Lower Explosive Limit
LOPA	Layer of Protection Analysis
LTDS	Low Total Dissolved Solids
LTI	Lost Time Injury
MPP	Multi-Purpose Plant
MR	Management Representative
MRM	Management Review Meeting
MVR	Mechanical Vapor Recompression
NGO	Non-Governmental Organization
OHS	Occupational Health and Safety
PF	Provident Fund
PMDA	Pharmaceuticals and Medical Devices Agency, Japan
PNG	Piped Natural Gas
POSH	Prevention of Sexual Harassment
PPE	Personal Protective Equipment
PSCI	Pharmaceutical Supply Chain Initiative
R&D	Research and Development
RO	Reverse Osmosis
RPE	Respiratory Protective Equipment
RSM	Regulatory Starting Material
RVO	Rijksdienst voor Ondernemend Nederland / Netherlands Enterprise Agency
SAP	Systems, Applications and Products
SBTi	Science Based Targets initiative
SCBA	Self-Contained Breathing Apparatus
SDG	Sustainable Development Goal
SDS	Safety Data Sheet
SHE	Safety, Health and Environment
SOP	Standard Operating Procedure
tCO2e	Tonnes of Carbon Dioxide Equivalent
TRIR	Total Recordable Incident Rate
USFDA / US FDA	United States Food and Drug Administration
WHO	World Health Organization
ZLD	Zero Liquid Discharge

ANNEXURE II

GRI Index

GRI Clause	Description	Section/Chapter	Page No(s)
GRI 2: General Disclosures 2021			
2-1	Organizational details	About the Report; Our Business / Manufacturing Footprint	03, 09–11
2-2	Entities included in the organization's sustainability reporting	About the Report / Reporting Boundary	03, 07
2-3	Reporting period, frequency and contact point	About the Report; Reporting Period, Frequency	03, 07
2-4	Restatement of information	About the Report	03, 07
2-5	External assurance	Annexure / Assurance Statement - GHG Inventory	79–80
2-6	Activities, value chain and other business relationships	Our Business; Services Portfolio; Responsible Value Chain	09–11, 61–64
2-7	Employees	Workforce; ESG Key Performance Index	42–44, 65–67
2-8	Workers who are not employees	Workforce; Workplace Health & Safety; ESG Key Performance Index	42–44, 49–53, 65–67
2-9	Governance structure and composition	Executive Committee; Sustainability Strategy / Governance & Culture	04, 16–17
2-10	Nomination and selection of the highest governance body	Executive Committee; Regulatory Implications	04, 14
2-11	Chair of the highest governance body	Executive Committee	4
2-12	Role of the highest governance body in overseeing the management of impacts	Executive Committee; Sustainability Strategy; Risk Management	04, 16–21
2-13	Delegation of responsibility for managing impacts	Risk Management Framework; Sustainability Strategy	16–21
2-14	Role of the highest governance body in sustainability reporting	Sustainability Strategy; Message from Leadership	05–06, 16–17
2-15	Conflicts of interest	Organization / Ethical Business Practices; ESG Policies	56–60
2-16	Communication of critical concerns	Organization / Ethical Business Practices; Compliance & Ethics Training	57, 60
2-17	Collective knowledge of the highest governance body	Executive Committee; ESG & Compliance Highlights	04, 60
2-18	Evaluation of the performance of the highest governance body	Regulatory audits	14
2-19	Remuneration policies	Workforce / Employee Wellbeing; ESG KPI	42–44, 65–67
2-20	Process to determine remuneration	Employee wellbeing	42–44
2-21	Annual total compensation ratio	ESG KPI	65–67
2-22	Statement on sustainable development strategy	Message from Leadership; Global Sustainability Head; Sustainability Strategy	05–06, 16–19
2-23	Policy commitments	Organization / ESG Policies; Human Rights & No Child Labour	56–60
2-24	Embedding policy commitments	Organization / ESG Policies; ESG & Compliance Highlights	56–60
2-25	Processes to remediate negative impacts	Risk Management; Ethical Business Practices; Grievance / Whistleblowing	21–24, 57–60
2-26	Mechanisms for seeking advice and raising concerns	Ethical Business Practices; Speaking Up / Whistleblowing; Compliance Training	57, 60
2-27	Compliance with laws and regulations	Certifications and Regulatory Accreditations; Ethical Business Practices; ESG KPI	14, 56–60, 65–67
2-28	Membership associations	Memberships, Commitments and Disclosures	13
2-29	Approach to stakeholder engagement	Material ESG Topics and Stakeholder Engagement	25–27
2-30	Collective bargaining agreements	ESG Key Performance Index; Human Rights / Social Dialogue Policy	59, 65–67
GRI 101: Biodiversity 2024			
101-1	Policies to halt and reverse biodiversity loss	Environment Stewardship / Biodiversity	37
101-2	Management of biodiversity impacts	Environment Stewardship / Biodiversity	37
101-3	Access and benefit-sharing	Environment Stewardship / Biodiversity	-
101-4	Identification of biodiversity impacts	Environment Stewardship / Biodiversity	37
101-5	Locations with biodiversity impacts	Environment Stewardship / Biodiversity	37
101-6	Direct drivers of biodiversity loss	Environment Stewardship / Biodiversity	37
101-7	Changes to the state of biodiversity	Environment Stewardship / Biodiversity	37
101-8	Ecosystem services	Environment Stewardship / Biodiversity	37
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Our Business; Operational Excellence; ESG KPI	09–11, 54, 65–67
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Commitments and Actions; Risk Management	18–24
201-3	Defined benefit plan obligations and other retirement plans	Workforce / Employee Wellbeing; ESG KPI	42–44, 65–67
201-4	Financial assistance received from government	NA	NA

GRI Clause	Description	Section/Chapter	Page No(s)
GRI 202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Workforce / Employee Wellbeing; Living Wage KPIs	42–44, 65–67
202-2	Proportion of senior management hired from the local community	-	-
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Social Impact / Community Engagement & CSR	39–41
203-2	Significant indirect economic impacts	Social Impact / Community Engagement & CSR; Operational Excellence	39–41, 54
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Responsible Value Chain / Sustainable Supply Chain	61
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Organization / Ethical Business Practices; Supply Chain Risk Management; ESG KPI	57, 62–63, 65–67
205-2	Communication and training about anti-corruption policies and procedures	Organization / ESG & Compliance Highlights; ESG KPI	60, 65–67
205-3	Confirmed incidents of corruption and actions taken	Performance Highlights; Ethical Business Practices; ESG KPI	08, 57–60, 65–67
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethical Business Practices	57
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Environment Stewardship / Energy Efficiency and Management	28–31
302-2	Energy consumption outside of the organization	Greenhouse Gas Emissions / Scope 3	31–33
302-3	Energy intensity	Energy Efficiency and Management; ESG KPI	28–31, 65–67
302-4	Reduction of energy consumption	Energy Efficiency and Management; Sustainability Commitments and Actions	18–19, 28–31
302-5	Reductions in energy requirements of products and services	Energy Efficiency and Management; Operational Excellence	28–31, 54

GRI Clause	Description	Section/Chapter	Page No(s)
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303-2	Management of water discharge-related impacts	Water Stewardship; Waste Management; BCP	34–36, 22–23
303-3	Water withdrawal	Water Stewardship; ESG KPI	34, 65–67
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303-5	Water consumption	Water Stewardship; ESG KPI	34, 65–67
GRI 304: Biodiversity 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment Stewardship / Biodiversity	37
304-2	Significant impacts of activities, products and services on biodiversity	Environment Stewardship / Biodiversity	37
304-3	Habitats protected or restored	Environment Stewardship / Biodiversity	37
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environment Stewardship / Biodiversity	37
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG Emissions	Greenhouse Gas (GHG) Emissions; ESG KPI	31–33, 65–67
305-2	Energy Indirect (Scope 2) GHG Emissions	Greenhouse Gas (GHG) Emissions; ESG KPI	31–33, 65–67
305-3	Other Indirect (Scope 3) GHG Emissions	Greenhouse Gas (GHG) Emissions; ESG KPI	31–33, 65–67
305-4	GHG Emissions Intensity	Greenhouse Gas (GHG) Emissions	31–33
305-5	Reduction of GHG Emissions	Sustainability Commitments and Actions; GHG Emissions; Energy Management	18–19, 28–33
305-6	Emissions of Ozone Depleting Substances	-	-
305-7	Nitrogen Oxides, Sulfur Oxides and Other Significant Air Emissions	ESG KPI, Air emissions	65–67
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Waste Management and Circularity	35–36
306-2	Management of significant waste-related impacts	Waste Management and Circularity; BCP / Effluent Disposal	22–23, 35–36
306-3	Waste generated	Waste Management and Circularity; ESG KPI	35–36, 65–67
306-4	Waste diverted from disposal	Waste Management and Circularity	35–36
306-5	Waste directed to disposal	Waste Management and Circularity	35–36

GRI Clause	Description	Section/Chapter	Page No(s)
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Responsible Value Chain / Supplier Sustainability Assessment	64
308-2	Negative environmental impacts in the supply chain and actions taken	Responsible Value Chain / Supply Chain Risk Management	62–63
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Workforce / Employee Wellbeing and Management; ESG KPI	42–44, 65–67
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workforce / Employee Wellbeing and Management; ESG KPI	42–44, 65–67
401-3	Parental leave	Employee well being	42–44
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	Employee well being	42–44
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Workplace Health and Safety; Certifications	14, 49–53
403-2	Hazard identification, risk assessment, and incident investigation	Risk Management; Process Safety; Workplace Health and Safety	21–24, 49–53
403-3	Occupational health services	Workplace Health and Safety	49–53
403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace Health and Safety; ESG KPI	49–53, 65–67
403-5	Worker training on occupational health and safety	Workplace Health and Safety; ESG KPI	49–53, 65–67
403-6	Promotion of worker health	Workplace Health and Safety; Employee Wellbeing	42–44, 49–53
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Risk Management; Supply Chain Risk Management; Workplace Health and Safety	21–24, 49–53, 62–63
403-8	Workers covered by an occupational health and safety management system	Workplace Health and Safety; ESG KPI	49–53, 65–67
403-9	Work-related injuries	Workplace Health and Safety; ESG KPI	49–53, 65–67
403-10	Work-related ill health	Workplace Health and Safety; ESG KPI	49–53, 65–67
GRI 404: Training and Education 2016			14, 49-53
404-1	Average hours of training per year per employee	Training and Development; ESG KPI	45–46, 65–67
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development; Employee Engagement	45–48
404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development; ESG KPI	45–46, 65–67

GRI Clause	Description	Section/Chapter	Page No(s)
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Diversity and Inclusion; ESG KPI	45–46, 65–67
405-2	Ratio of basic salary and remuneration of women to men	Diversity and Inclusion; ESG KPI	45–46, 65–67
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Diversity and Inclusion; Human Rights; ESG KPI	45–46, 59, 65–67
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights; Supply Chain Risk Management; ESG KPI	59, 62–63, 65–67
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights & No Child Labour; Supply Chain Risk Management	59, 62–63
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights; Supply Chain Risk Management	59, 62–63
GRI 410: Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	Human Rights; ESG & Compliance Highlights	59–60
GRI 411: Rights of Indigenous Peoples 2016			
411-1	Incidents of violations involving rights of indigenous peoples	Human Rights; ESG & Compliance Highlights	59–60
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Social Impact / Community Engagement & CSR	39–41
413-2	Operations with significant actual and potential negative impacts on local communities	Social Impact; Material Topics	25–27, 38–41
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Responsible Value Chain / Supplier Sustainability Assessment	64
414-2	Negative social impacts in the supply chain and actions taken	Responsible Value Chain / Supply Chain Risk Management	62–63

GRI Clause	Description	Section/Chapter	Page No(s)
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415-1	Political contributions	Ethical Business Practices	57
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	Customer Health, Safety and Quality; Certifications/Regulatory Accreditations	14, 55
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health, Safety and Quality; ESG KPI	55, 65–67
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	Customer Health, Safety and Quality; Ethical Business Practices	55, 57
417-2	Incidents of non-compliance concerning product and service information and labeling	Customer Health, Safety and Quality	55
417-3	Incidents of non-compliance concerning marketing communications	Customer Health, Safety and Quality	55
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity and Data Privacy Measures; ESG KPI	58, 65–67

ANNEXURE III

UNGC Principles Alignment Index

UNGC Principle	UNGC Theme	Principle Requirement	Report Section / Chapter	Report Page Reference
Principle 1	Human Rights	Support and respect internationally proclaimed human rights	Commitment to Human Rights & No Child Labour; ESG Policies; Ethical Business Practices; Responsible Value Chain / Supply Chain Risk Management	56–60, 62–64
Principle 2	Human Rights	Ensure business is not complicit in human rights abuses	Responsible Value Chain; Supplier Sustainability Assessment; Supply Chain Risk Management; Human Rights	59, 61–64
Principle 3	Labour	Uphold freedom of association and effective recognition of collective bargaining	Human Rights; Supply Chain Risk Management; ESG KPI	59, 62–63, 65–67
Principle 4	Labour	Eliminate all forms of forced and compulsory labour	Human Rights; Supply Chain Risk Management	59, 62–63
Principle 5	Labour	Effective abolition of child labour	Commitment to Human Rights & No Child Labour; Supply Chain Risk Management	59, 62–63
Principle 6	Labour	Eliminate discrimination in respect of employment and occupation	Employee Wellbeing and Management; Diversity and Inclusion; Training and Development; Human Rights	42–46, 59
Principle 7	Environment	Support a precautionary approach to environmental challenges	Sustainability Commitments and Actions; Risk Management; Process Safety and Environmental Risk Review; Environmental Stewardship	18–24, 28–37
Principle 8	Environment	Undertake initiatives to promote greater environmental responsibility	Energy Efficiency and Management; GHG Emissions; Water Stewardship; Waste Management and Circularity; Biodiversity; Supplier Environmental Assessment	28–37, 62–64
Principle 9	Environment	Encourage development and diffusion of environmentally friendly technologies	Sustainability Commitments and Actions; Decarbonization Roadmap and Net Zero Scenario; Energy Efficiency and Management; Operational Excellence	18–20, 28–31, 54
Principle 10	Anti-Corruption	Work against corruption in all its forms, including extortion and bribery	Corporate Ethics and Legal Compliance; Ethical Business Practices; Compliance & Ethics Training and Highlights; ESG KPI	56–60, 65–67

ANNEXURE IV

ESG Key Performance Index – Chennai Site

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
1	Employees	Nos	237	236	243
Environment					
2	Total Energy Consumption (Including Solar)	kWh	11,830,054	11,948,210	13,090,370
3	Total Renewable Energy Consumption	kWh	2,056	2,297,821	8,401,211
4	Total Scope 1 GHG Emissions	Metric tons CO_2	5,462.37	5,107.83	6,305.83
5	Total Scope 2 GHG Emissions	Metric tons CO_2	8,470.32	7,015.83	3,329.30
6	Total Scope 3 GHG Emissions (All categories)	Tons CO_2 Eq	18,169.30	22,231.61	15,765.60
7	Scope 3 - Capital Goods	Tons CO_2 Eq	302.64	263.54	131.74
8	Scope 3 - Purchased Goods and Services	Tons CO_2 Eq	3,694.59	17,420.36	12,166.13
9	Scope 3 - Fuel and Energy-Related Activities	Tons CO_2 Eq	12,129.07	1,542.01	2,096.54
10	Scope 3 - Upstream Transportation and Distribution	Tons CO_2 Eq	19.73	2,869.45	1,199.95
11	Scope 3 - Waste Generated in Operations	Tons CO_2 Eq	1,895.57	32.24	16.70
12	Scope 3 - Business Travel	Tons CO_2 Eq	24.12	12.51	52.61
13	Scope 3 - Employee Commute	Tons CO_2 Eq	54.09	91.50	101.89
14	Scope 3 - Upstream Leased Assets	Tons CO_2 Eq	0.00	0.00	0.00
15	Scope 3 - Downstream Transport and Distribution	Tons CO_2 Eq	49.49	0.00	0.00
16	Total Water Consumption (Fresh water)	KL	71,032	52,385	56,558
17	Recycled water	KL	44,281	60,135	53,025
18	Recycled water to cooling tower	KL	27,943	37,616	39,742
19	Total Weight of Waste	Tons	5,604.00	6,185.90	5,765.76
20	Total Weight of Hazardous Waste Recovered (Recycled/Co-Processed)	Tons	3,504	3,217	2851.24
21	Total Weight of Hazardous Waste	Tons	5,466.50	6,061.10	5,656.21
22	Total Weight of Non-Hazardous Waste	Tons	137.5	124.8	109.55
23	Total Weight of Hazardous Waste Recovered	Tons	5,466.50	6,061.10	5,656.21
24	% of Employees Trained on Environmental Issues	%	100	100	100
25	% of Operational Sites Covered Under Environmental Risk Assessment	%	100	100	100
26	Air pollutants discharged	Tons	15.40	18.88	12.80
27	% of Operating Sites Certified with ISO14001	%	100	100	100
28	Quantity of Finished goods that are expired at the site	Tons	8.9	2.22	6.61
29	Percentage of unused or expired medicines collected for recycling or treatment compared to the total volume of products sold	%	0.49%	0.14%	0.35%
Biodiversity					
30	Sites Covered Under Biodiversity Assessment	Yes/No	NA	NA	NA
31	Number of Incidents Reported Related to Biodiversity Loss	Nos	0	0	0
32	Total Number of Trees Available Within the Plant Premises	Nos	93	1,608	1,620
Labour & Human Rights					
33	Stress-relieving activities measures in place	Yes/No	Yes	Yes	Yes
34	% of operational sites covered under employee health & safety risk assessment	%	100	100	100
35	Compensation for extra or atypical working hours paid	Yes/No	Yes	Yes	Yes

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
36	Additional days leave beyond standard vacation days granted	Yes/No	Yes	Yes	Yes
37	% of sites covered under human rights impact assessment	%	100	100	100
38	% of operational sites certified with ISO 45001	%	100	100	100
39	% of employees represented in joint worker health & safety committee	%	12.24	12.29	12.65
40	% of employees covered by collective agreement	%	0	0	0
41	% of employees covered by formally elected employee representative	%	0	0	0
42	% of eligible employees receiving regular performance and career reviews	%	100	100	100
43	% of employees receiving career or skill-related training	%	100	100	100
44	% of employees trained on preventing discrimination & human rights violation	%	100	100	100
45	Average hours of training provided per employee	hrs	27	24	16
46	Average adjusted gender pay gap	%	0	0	0
47	% of employees from minority groups in organization	%	1.69	2.12	2.45
48	% of minority group employees in top executive positions	%	6.7	6.7	6.7
49	% of women in the workforce	%	5.1	5.1	4.5
50	% of women in top executive positions	%	6.7	6.7	6.7
51	% of employees with flexible or irregular work arrangements	%	37	38	40
52	% of employees offered healthcare coverage	%	100	100	100
53	No of manhours worked	hrs	681896	684392	692920

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
54	Number of days lost due to injuries	#	0	0	0
55	Lost time injury (LTI) events	#	0	0	0
56	LTI frequency rate for direct workforce	#	0	0	0
57	LTI severity rate for direct workforce	#	0	0	0
58	Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all employees	%	13%	15%	15%
59	Percentage of direct employees covered by a living wage benchmarking analysis	%	100	100	100
60	Percentage of direct employees paid below the living wage	%	0	0	0
61	Percentage of all employees paid below the living wage, including direct employees and non-employee workers	%	0	0	0
62	Percentage of the average wage gap for direct employees paid below the living wage compared to a reference threshold	%	0	0	0
63	Number of identified discrimination or harassment incidents or corrective actions	#	0	0	0
64	Percentage of employees trained in business ethics	%	100%	100%	100%
65	Number of confirmed corruption incidents	#	0	0	0
66	Number of confirmed information security incidents	#	0	0	0
Ethics & Compliance					
67	% of employees trained on business ethics issues	%	100%	100%	100%
68	Number of whistleblower reports received	#	0	0	0
69	Number of confirmed corruption incidents	#	0	0	0

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
70	Number of confirmed information security incidents	#	0	0	0
71	% of sites covered under internal business ethics risk assessment	%	100	100	100
72	Number of business partners who underwent anti-corruption due diligence	#	0	0	0
73	% of operating sites certified with anti-corruption management system	%	0	0	0
74	% of employees who underwent IT security training	%	100%	100%	100%
75	% of employees trained on whistleblower procedure	%	100%	100%	100%
Sustainable Procurement					
76	% of procurement spend (within India)	%	23%	32%	30%
77	% of targeted suppliers that have signed the supplier code of conduct	%	92%	93%	85%
78	% of targeted SCM members trained on supplier code of conduct	%	100%	100%	100%
79	% of suppliers with contracts that include environmental, labor, and human rights clauses	%	100%	100%	100%
80	% of targeted suppliers covered by a CSR assessment	%	93%	93%	90%
81	Number of targeted suppliers that have undergone a CSR on-site audit	#	4	7	7
82	Number of diverse suppliers on spend (MSME/Women/Minority owned)	#	180	250	220

ANNEXURE V

ESG Key Performance Index – Vizag Site

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
1	Employees	Nos	282	273	282
Environment					
2	Total Energy Consumption (Including Solar)	kWh	15,871,400	15,851,000	17,853,018
3	Total Renewable Energy Consumption	kWh	53,224	53,143	50,418
4	Total Scope 1 GHG Emissions	Metric tons CO_2	2,348.02	1,897.44	2,005.16
5	Total Scope 2 GHG Emissions	Metric tons CO_2	11,363.92	11,523.68	12,639.80
6	Total Scope 3 GHG Emissions (All categories)	Tons CO_2 Eq	22,438.20	21,739.37	23,715.40
7	Scope 3 - Capital Goods	Tons CO_2 Eq	569.06	265.16	1,282.27
8	Scope 3 - Purchased Goods and Services	Tons CO_2 Eq	7,109.70	18,335.18	18,786.30
9	Scope 3 - Fuel and Energy-Related Activities	Tons CO_2 Eq	13,704.77	1,542.01	2,724.30
10	Scope 3 - Upstream Transportation and Distribution	Tons CO_2 Eq	283.63	1,526.37	400.50
11	Scope 3 - Waste Generated in Operations	Tons CO_2 Eq	336.32	2.64	16.2
12	Scope 3 - Business Travel	Tons CO_2 Eq	67.24	19.62	21.02
13	Scope 3 - Employee Commute	Tons CO_2 Eq	63.44	48.38	319.80
14	Scope 3 - Upstream Leased Assets	Tons CO_2 Eq	0.00	0.00	0.00
15	Scope 3 - Downstream Transport and Distribution	Tons CO_2 Eq	304.03	0.00	165.02
16	Total Water Consumption for process	KL	65,335	65,013	77,625.00
17	Recycled water	KL	8,329	9,835	13,105.00
18	Recycled water to cooling tower	KL	1,710	1,690	3,275.00
19	Total Weight of Waste	Tons	50,317.94	46,023.58	56095.8
20	Total Weight of Hazardous Waste Recovered (Recycled/Co-Processed)	Tons	1007.635	767.363	861.3
21	Total Weight of Hazardous Waste	Tons	50,183.59	45,900.55	56,957.22
22	Total Weight of Non-Hazardous Waste	Tons	134.35	123.03	103.33
23	Total Weight of Hazardous Waste Recovered	Tons	4759	3651.44	3645.5
24	% of Employees Trained on Environmental Issues	%	100	100	100
25	% of Operational Sites Covered Under Environmental Risk Assessment	%	100	100	100
26	Air pollutants discharged	Tons	3.75	3.62	3.45
27	% of Operating Sites Certified with ISO14001	%	100	100	100
28	Quantity of Finished goods that are expired at the site	Tons	0.018	0.306	1.593
29	Percentage of unused or expired medicines collected for recycling or treatment compared to the total volume of products sold	%	0.0%	0.1%	0.3%
Biodiversity					
30	Sites Covered Under Biodiversity Assessment	Yes/No	NA	NA	NA
31	Number of Incidents Reported Related to Biodiversity Loss	Nos	0	0	0
32	Total Number of Trees Available Within the Plant Premises	Nos	-	1,500	1,520
Labour & Human Rights					
33	Stress-relieving activities measures in place	Yes/No	Yes	Yes	Yes
34	% of operational sites covered under employee health & safety risk assessment	%	100	100	100
35	Compensation for extra or atypical working hours paid	Yes/No	Yes	Yes	Yes

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
36	Additional days leave beyond standard vacation days granted	Yes/No	Yes	Yes	Yes
37	% of sites covered under human rights impact assessment	%	100	100	100
38	% of operational sites certified with ISO 45001	%	100	100	100
39	% of employees represented in joint worker health & safety committee	%	8%	13%	12%
40	% of employees covered by collective agreement	%	0	0	0
41	% of employees covered by formally elected employee representative	%	0	0	0
42	% of eligible employees receiving regular performance and career reviews	%	100	100	100
43	% of employees receiving career or skill-related training	%	100%	100%	100%
44	% of employees trained on preventing discrimination & human rights violation	%	100	100	100
45	Average hours of training provided per employee	hrs	20	18	17
46	Average adjusted gender pay gap	%	0	0	0
47	% of employees from minority groups in organization	%	1%	1%	1%
48	% of minority group employees in top executive positions	%	7.1	7.1	6.7
49	% of women in the workforce	%	4.6%	4.8%	4.0%
50	% of women in top management positions	%	0	0	10
51	% of employees with flexible or irregular work arrangements	%	38	39	42
52	% of employees offered healthcare coverage	%	100	100	100
53	No of manhours worked	hrs	1447496	1505200	1107992

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
54	Number of days lost due to injuries	#	0	0	0
55	Lost time injury (LTI) events	#	0	0	0
56	LTI frequency rate for direct workforce	#	0	0	0
57	LTI severity rate for direct workforce	#	0	0	0
58	Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all employees	Ratio	27	28	24
59	Percentage of direct employees covered by a living wage benchmarking analysis	%	100	100	100
60	Percentage of direct employees paid below the living wage	%	0%	0%	0%
61	Percentage of all employees paid below the living wage, including direct employees and non-employee workers	%	0%	0%	0%
62	Percentage of the average wage gap for direct employees paid below the living wage compared to a reference threshold	%	0%	0%	0%
63	Number of identified discrimination or harassment incidents or corrective actions	#	0	0	0
64	Percentage of employees trained in business ethics	%	100%	100%	100%
65	Number of confirmed corruption incidents	#	0	0	0
66	Number of confirmed information security incidents	#	0	0	0
Ethics & Compliance					
67	% of employees trained on business ethics issues	%	100%	100%	100%
68	Number of whistleblower reports received	#	0	0	0
69	Number of confirmed corruption incidents	#	0	0	0

S.No	Key Performance Indicator	Unit	CY23	CY24	CY25
70	Number of confirmed information security incidents	#	0	0	0
71	% of sites covered under internal business ethics risk assessment	%	100	100	100
72	Number of business partners who underwent anti-corruption due diligence	#	0	0	7
73	% of operating sites certified with anti-corruption management system	%	0	0	0
74	% of employees who underwent IT security training	%	100%	100%	100%
75	% of employees trained on whistleblower procedure	%	100%	100%	100%
Sustainable Procurement					
76	% of procurement spend (within India)	%	42%	85%	28%
77	% of targeted suppliers that have signed the supplier code of conduct	%	100%	100%	100%
78	% of targeted SCM members trained on supplier code of conduct	%	100%	100%	100%
79	% of suppliers with contracts that include environmental, labor, and human rights clauses	%	100%	100%	100%
80	% of targeted suppliers covered by a CSR assessment	%	97%	95%	95%
81	Number of targeted suppliers that have undergone a CSR on-site audit	#	3	3	3
82	Number of diverse suppliers on spend (MSME/Women/Minority owned)	#	2	4	5

ANNEXURE VI

Assurance Statement – GHG Inventory

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Independent Reasonable Assurance Statement to PharmaZell (India) Private Limited on Scope 1, 2 and 3 GHG Emission.

To the Management of PharmaZell (India) Private Limited (an Axplora Company)

Introduction
Rightwell Global Solutions LLP (doing business as "Sustain Right") was engaged by PharmaZell (India) Private Limited ("PharmaZell") to provide an independent reasonable assurance statement for their Scope 1, 2 and 3 GHG emissions across all facilities under their operational control. The scope of GHG emission statement comprises period of the year 2024. The GHG emission inventory was prepared by PharmaZell based on Greenhouse Gas Protocols Guidance. The assurance engagement was conducted in accordance with the AccountAbility Assurance Standard (AA1000AS v3, 2020), providing Type 2 assurance at a high level. This involved evaluating both the organization's adherence to the AA1000 AccountAbility Principles (2018) and the reliability and quality of the reported sustainability performance. The assessment was guided by the principles and processes outlined in the AA1000 Stakeholder Engagement Standard (AA1000SES, 2015) as the primary criteria for evaluating disclosures. The assurance was carried out with due professional care, objectivity, and independence, consistent with applicable ethical requirements to ensure the credibility of the process and findings.

Objective
The objectives of this reasonable assurance engagement were, by review of objective evidence, to confirm to suggest that PharmaZell Scope 1, 2 and 3 GHG Emissions were accurate, complete, consistent, transparent and free of material errors or omission in accordance with the criteria outlined below.

Intended Users
This Assurance Statement is intended to be a part of the PharmaZell's 2024 Carbon Footprint Assessment Report (the "Report").

Responsibilities
PharmaZell is solely responsible for developing the Report and its presentation. PharmaZell is also responsible for designing, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Sustain Right's responsibility, as agreed with PharmaZell, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Sustain Right does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Sustain Right's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope
The assurance has been provided for Scope 1, 2 and 3 GHG emission presented by PharmaZell in the Report. The assurance boundary included data and information for 100% operations of PharmaZell in India (Chennai and Vizag) in accordance with Greenhouse Gas Protocols Guidance. Our scope of assurance included verification of data and information on selected disclosures reported below:

The verification covered scope 1, 2 and 3 GHG emissions in 2024, which included the following activities:

Greenhouse Gas Emissions
• Scope 1: Direct GHG Emissions • Scope 2: Purchased Electricity • Scope 3: Category 1: Purchased Goods and Services • Scope 2: Capital Goods

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• 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 6: Business Travel • Scope 3: Category 7: Employee Commuting

Assurance Criteria
Sustain Right conducted the assurance work in accordance with the requirements of 'Type 2 High Level' procedures as per the following standard:

- AccountAbility Assurance Standard (AA1000AS v3, 2020
- AA1000 AccountAbility Principles (2018)
- AA1000 Stakeholder Engagement Standard (AA1000SES, 2015)

The criteria in which the Report was compared against were:

- World Business Council for Sustainable Development (WBCSD) GHG Protocol

A reasonable assurance engagement involved assessing the risks of material misstatement of the agreed indicators/parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumstances. A materiality threshold level of 5% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Limitations and Exclusion
We have relied on the information, documents, records, data, and explanations provided to us by PharmaZell for the purpose of our review. The assurance scope excludes:

- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.
- Data pertaining to PharmaZell's financial performance, strategy, and associated linkages articulated in the Report.
- Assertions made by PharmaZell encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.

Methodology
Sustain Right carried out the assurance engagement using a risk-based approach to obtain the information, explanations, and evidence necessary to provide the agreed level of assurance for PharmaZell. The process involved desk reviews, remote site visits, and stakeholder interviews covering reporting practices and supporting records for the 2024 considering a sampling rate of 10% of the total operational sites. The assurance activities were planned and executed during the engagement period and included the following:

- Review of data that was recorded in accordance with the Greenhouse Gas Protocols Guidance.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available digitally.
- Conducted virtual interviews with key personnel responsible for data management.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by PharmaZell for data analysis.
- Review of GHG related data on sample basis for the duration from January 1, 2024 to December 31, 2024 for PharmaZell was carried out remotely through virtual interactions.
- Recalculation of GHG emissions data based on the data provided.

- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed.

Conclusions

Sustain Right reviewed GHG emission disclosures provided by PharmaZell in its Report. Based on the procedures performed as above, evidence obtained, and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion. PharmaZell's GHG emission data and information for the period of 01 January 2024 to 31 December 2024 included in the Report, is, in all material respects, is in accordance with the Greenhouse Gas Protocols Guidance.

The reported GHG emissions for 2024 are equal to:

Scope 1 *(tCO2e)*	Scope 2 *(tCO2e)*	Scope 3 *(tCO2e)*
7,005.27	18,539.51	43,970.98
Scope 3 Category Wise *(tCO2e)*		
Purchased Goods and Services		35,755.54
Capital Goods		528.70
Fuel- and Energy-Related Activities		3,084.03
Upstream Transportation and Distribution		4,395.82
Waste Generated in Operations		34.88
Business Travel		32.13
Employee Commuting		139.88
Total		**43,970.98**

Sustain Right's Competence and Independence

Sustain Right is a global assurance service provider. The Sustain Right Assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Sustain Right maintains complete impartiality towards any people interviewed.

Attestation

Pulak Mishra
Partner - Sustainability
Sustain Right
Date: 15 October 2025

Elango San
Lead Verifier (CSAP ID: A09122401)
Sustain Right
Date: 15 October 2025

AA1000
Licensed Report
001-126/V3-52OH9

AA1000
Licensed Assurance Provider
001-126

No member of the verification team (stated above) has a business relationship with PharmaZell, its Director's or Managers beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

ANNEXURE VII

Assurance Statement – Sustainability Report

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Independent Limited Assurance Statement to PharmaZell (India) Private Limited on their Sustainability Report 2025

To the Management of PharmaZell (India) Private Limited

Introduction
Rightwell Global Solutions LLP (doing business as "Sustain Right") was engaged by PharmaZell (India) Private Limited (hereinafter "PIPL") to provide an independent Limited Assurance on its Sustainability Report ("the Report") for 2025. The scope of the Report comprises the reporting periods of 1st January 2025 to 31st December 2025. The Report has been prepared by PIPL in reference to the GRI Standards 2021. The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC) International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements and International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective
The objectives of this limited assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability related KPIs, as declared in the Report, were accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

Intended Users
This Assurance Statement is intended to be a part of the PIPL's Sustainability Report for 2025.

Responsibilities
PIPL is solely responsible for developing the Report and its presentation. PIPL is also responsible for designing, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Sustain Right's responsibility, as agreed with PIPL, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Sustain Right does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Sustain Right's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope
This limited assurance engagement covers an independent conformance check of PIPL's Sustainability Report for 2025 in reference to the GRI Standards 2021, specifically the selected ESG Performance disclosures listed in the table below:

Topic	Indicator	GRI Disclosure Reference
General	General Disclosures 2021	2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-7, 2-8, 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-21, 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 2-28, 2-29, 2-30
Material Topics	Material Topics 2021	3-1
Environment	Biodiversity 2024	101-1, 101-2, 101-4, 101-5, 101-6, 101-7, 101-8
	Energy 2016	302-1, 302-2, 302-3, 302-4, 302-5
	Water and Effluents 2018	303-1, 303-2, 303-3, 303-4, 303-5

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Topic	Indicator	GRI Disclosure Reference
	Emissions 2016	305-1, 305-2, 305-3, 305-4, 305-5, 305-7
	Waste 2020	306-1, 306-2, 306-3, 306-4, 306-5
	Supplier Environmental Assessment 2016	308-1, 308-2
Social	Employment 2016	401-1, 401-2, 401-3
	Labor/Management Relations 2016	402-1
	Occupational Health and Safety 2018	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10
	Training and Education 2016	404-1, 404-2, 404-3
	Diversity and Equal Opportunity 2016	405-1, 405-2
	Non-discrimination 2016	406-1
	Freedom of Association and Collective Bargaining 2016	407-1
	Child Labor 2016	408-1
	Forced or Compulsory Labor 2016	409-1
	Security Practices 2016	410-1
	Rights of Indigenous Peoples 2016	411-1
	Local Communities 2016	413-1, 413-2
	Supplier Social Assessment 2016	414-1, 414-2
	Customer Health and Safety 2016	416-1, 416-2
	Marketing and Labelling 2016	417-1, 417-2, 417-3
	Customer Privacy 2016	418-1
Governance	Economic Performance 2016	201-1, 201-2, 201-3
	Market Presence 2016	202-1
	Indirect Economic Impacts 2016	203-1, 203-2
	Procurement Practices 2016	204-1
	Anti-Corruption 2016	205-1, 205-2, 205-3
	Anti-competitive Behaviour 2016	206-1

Assurance Criteria
Sustain Right conducted the assurance work in accordance with requirements of 'Limited Assurance' procedures as per the following standard:

- International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements
- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.

A limited assurance engagement involved assessing the risks of material misstatement of the agreed indicators/parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumstances. It comprises of limited depth of evidence gathering including inquiry and analytical procedures and limited sampling as per professional judgement of assurance provider. A materiality threshold level of 10% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Limitations and Exclusion
We have relied on the information, documents, records, data, and explanations provided to us by PIPL for the

purpose of our review. The assurance scope excludes:

- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.
- Data pertaining to the Company's financial performance, strategy, and associated linkages articulated in the Report.
- Assertions made by the Company encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.

Methodology

Sustain Right performed assurance work using risk-based approach to obtain the information, explanations and evidence that was considered necessary to provide a limited level of assurance. The assurance was conducted by desk review & stakeholder interviews with regard to the reporting and supporting records for the calendar years 2025. Our assurance task was planned and carried out in May-June 2026. The assessment included the following:

- Assessment of the Report that was prepared in reference to the Sustainability Reporting Standards of the Global Reporting Initiative.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data, and other information made available digitally.
- Conducted virtual interviews with key personnel responsible for data management.
- Assessment of appropriateness of various assumptions, estimations, and thresholds used by PIPL for data analysis.
- Review of sustainability disclosures on sample basis for the duration from 1st January 2025 to 31st December 2025 was carried out remotely for PIPL's sites.

Conclusions

Sustain Right reviewed selected sustainability disclosures provided by PIPL in the Report for the reporting period from 1st January 2025 to 31st December 2025. Based on the procedures performed as above, evidence obtained, and the information and explanations given to us, along with the representation provided by the management, and subject to the inherent limitations outlined elsewhere in this report, in our opinion, PIPL's data and information in the report is accurate, complete, consistent, transparent, and materially correct based on the available evidence, and thus presents a fair representation of the sustainability disclosures in reference with the GRI Standards 2021 to the best of our knowledge.

During the course of our review, a few forward action requests were also raised for PIPL to consider and incorporate in future reporting cycles for further strengthening of the reporting process and disclosures. Further, variations below the 5% materiality threshold were accepted in order to maintain consistency with the past statutory reports for the same reporting period.

Sustain Right's Competence and Independence

Sustain Right is a global assurance service provider. The Sustain Right Assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Sustain Right maintains complete impartiality towards any people interviewed.

Attestation

Deblina Saha
Partner
Sustain Right
Date: 13 June 2026

Pulak Mishra
Lead Verifier (CSAP ID: A19122510)
Sustain Right
Date: 13 June 2026

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Licensed Assurance Provider
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No member of the verification team (stated above) has a business relationship with PIPL, its Directors or Managers beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

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