

# Business Responsibility and Sustainability Report 2025-26

## Granules BRSR - Executive Summary

Granules is committed to responsible business practices and sustainable growth, with a purpose of 'Healing lives responsibly through pioneering green science'. Our Business Responsibility and Sustainability Report outlines our dedication to environmental stewardship, social responsibility, and robust governance, while showcasing our accomplishments and outlining our future goals.

### KEY HIGHLIGHTS:

- Achieved the CDP Climate Change A List in 2025, advancing from C to B to A over three cycles.
- Earned CDP ratings of B and B- in its first-time Water Security and Forests disclosures.
- Received a "Gold rating" in our first corporate-level assessment by EcoVadis, placing us in the top 5% of all rated companies globally across all industries with an overall score of 79/100 and a 97<sup>th</sup> percentile rank, this recognition is huge impetus to our strong commitment to sustainable, ethical, and responsible business practices.
- Achieved an A List rating in CDP's Supplier Engagement Assessment (SEA) 2025, demonstrating strong leadership in engaging its supply chain on climate action.
- Achieved an S&P Global ESG Score of 62 out of 100.
- Gagillapur and Bonthapally Unit-I facilities are officially recognized as Water Neutrality Aspiring Plants by the CII-Triveni Water Institute (CII-TWI) for completing baseline and watershed delineation studies, as well as identifying community intervention opportunities, supporting Granules' 2032 water neutrality goal.
- Gagillapur unit has achieved Zero Waste to Landfill (ZWTL) Certification with Platinum + Rating with over 99% waste diversion rate from Landfill.
- Achieved Sedex Supplier Plus certification, demonstrating strong performance across social, environmental, and responsible sourcing parameters within its supply chain.
- Honoured with the Sustainability Award at Haleon's Winning Together -Supplier Summit 2026, recognizing its measurable progress in environmental sustainability and commitment to responsible pharmaceutical manufacturing.
- Granules received the Silver Award at the CII National EHS Excellence Awards 2025 for its Gagillapur Unit and Granules Life Sciences site, while Unit-I Bonthapally and Unit-IV Visakhapatnam were recognized with the Bronze Award during the same ceremony.
- Become an official signatory to the UN-WEP (UN Women-UN Global Compact Women's Empowerment Principles), reaffirming its commitment to gender equality and alignment with SDG5 (Gender Equality).
- Joined the Pharmaceutical Supply Chain Initiative (PSCI) as an official Supplier Partner, reinforcing its commitment to ethical, responsible, and sustainable supply chain practices.
- Retained its membership with the UNGC (United Nations) Global Compact, reaffirming its commitment to the 10 principles of human rights, labour, environment, and anti-corruption.
- Became a member of the British Safety Council (BSC) and the National Safety Council (NSC), reinforcing its commitment to workplace health and safety.
- Published our inaugural Integrated Annual Report in FY 2024-25, aligned with the GRI Standards and the UN Global Compact (UNGC) principles.
- Our Net Zero target by 2050, approved by the Science Based Targets initiative (SBTi), is aligned with the 1.5°C pathway.



Our Business Responsibility & Sustainability Report demonstrates our commitment to the nine principles of the National Guidelines on Responsible Business Conduct (“NGRBC”) as well as our progress against the stated objectives across environmental, social and governance (“ESG”) parameters.

The BRSR disclosures are in terms of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and consist of three sections:

- **Section A** provides a broad overview of the business, its offerings, business and operations footprint, employees, related parties, Corporate Social Responsibility (CSR) and transparency.
- **Section B** covers management and process disclosures related to the businesses aimed at demonstrating the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.
- **Section C** provides essential, and leadership indicator-wise disclosures mapped to the nine principles of NGRBC.

For FY 25-26 The Bureau Veritas (India) Pvt. Ltd. – an independent third party has verified and assured the data disclosed in this Report.



## Principle 1

### Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable

Granules is committed to conducting business with integrity, transparency, and accountability across all operations and value chain activities. Ethical business conduct is embedded into the Company's governance framework through a comprehensive Code of Conduct applicable to employees, suppliers, contractors, and business partners. The Company promotes a strong culture of compliance through structured policies, regular governance reviews, robust internal controls, and leadership oversight.

Granules follows a zero-tolerance approach toward unethical practices, bribery, corruption, discrimination, and non-compliance. Ethical considerations are integrated into supplier onboarding, vendor evaluations, and operational decision-making processes. The Company also maintains robust grievance and whistle-blower mechanisms that ensure confidentiality, protection against retaliation, and timely resolution of concerns.

To strengthen responsible business conduct, Granules aligns its practices with globally recognized frameworks and customer expectations through SMETA, PSCI, regulatory, and customer audits across manufacturing sites and offices. Continuous engagement with employees and value chain partners helps reinforce awareness, accountability, and a shared commitment toward ethical and responsible business practices.

#### Key Actions

- Periodic review and strengthening of the Code of Conduct, ethics policies, and governance frameworks in line with evolving regulatory and industry requirements.
- Conducting mandatory ethics, compliance, anti-bribery, and Code of Conduct training programs for employees across locations.
- Integrating ethical business conduct requirements into supplier onboarding, assessment, and vendor management processes.
- Undertaking regular SMETA, PSCI, customer, and regulatory audits across manufacturing facilities and offices.
- Maintaining a whistle-blower mechanism with provisions for confidentiality, non-retaliation, and timely grievance resolution.
- Implementing conflict-of-interest disclosure and review mechanisms across relevant functions.
- Strengthening internal controls and integrating ethics and compliance considerations into enterprise risk management practices.
- Driving continuous monitoring through audit closure tracking, compliance reviews, and improvement initiatives across operations and value chain activities.

#### Highlights / Achievements

- 100% of employees trained on the Company's Code of Conduct and ethical business practices.
- 100% of key suppliers assessed on ethical business conduct during onboarding and at defined periodic intervals as part of the Vendor Management Procedure.
- 100% of plants and offices covered under SMETA, PSCI, customer, and regulatory audits.
- Continued engagement with suppliers and business partners to promote ethical business practices and responsible value chain management.
- Robust governance mechanisms established to support transparency, accountability, and compliance across operations.



## Principle 2

### Businesses should provide goods and services in a manner that is sustainable and safe

Granules is committed to providing safe, high-quality, and sustainable products while minimizing environmental and social impacts across the product lifecycle. Sustainability considerations are integrated into sourcing, manufacturing, packaging, and product stewardship processes to ensure responsible business practices and compliance with global regulatory expectations.

The Company focuses on responsible sourcing, efficient resource utilization, product safety, and environmental compliance across operations and the value chain. Granules collaborates closely with suppliers and business partners to strengthen sustainability performance and ensure adherence to stringent quality and regulatory standards.

To enhance environmental transparency and support climate action, Granules has initiated product carbon footprint assessments across a significant portion of its portfolio. The Company also ensures that key starting materials are procured from GMP-compliant vendors, reinforcing product safety and quality assurance. Compliance with Extended Producer Responsibility (EPR) regulations and CPCB guidelines further strengthens Granules' commitment towards sustainable waste management and responsible product stewardship.

#### Key Actions

- Expanding product carbon footprint assessments across key products to identify environmental impacts and reduction opportunities.
- Integrating sustainability considerations and green chemistry principles into product development and manufacturing processes.
- Strengthening supplier qualification and onboarding processes with enhanced sustainability, compliance, and quality requirements.



- Sourcing key starting materials from GMP-compliant vendors to ensure product quality, safety, and regulatory compliance.
- Enhancing lifecycle-based assessment approaches for products and operational processes.
- Ensuring compliance with EPR regulations, CPCB requirements, and applicable customer and regulatory standards.
- Promoting sustainable packaging, waste minimization, and responsible material management initiatives.
- Engaging suppliers and value chain partners to improve sustainability awareness, product stewardship, and responsible sourcing practices.

#### Highlights / Achievements

- Conducted product carbon footprint assessments for products representing 80% of overall spending, in collaboration with value chain partners.
- 100% of Key Starting Materials (KSMs) sourced from GMP-compliant vendors.
- Registered with the Central Pollution Control Board (CPCB) under Extended Producer Responsibility (EPR) guidelines.
- Continued strengthening of sustainable sourcing and responsible procurement practices across the value chain.
- Maintained compliance with applicable quality, safety, environmental, and regulatory requirements across operations and products.



#### Principle 3

#### Businesses should respect and promote the well-being of all employees

Granules is committed to fostering a safe, inclusive, and healthy workplace that promotes the overall well-being of employees and workers across its operations and value chain. The Company integrates occupational health, safety, and employee wellness into its business processes through structured management systems, proactive risk management, and continuous engagement initiatives.

All manufacturing facilities operate under ISO 45001-certified Occupational Health and Safety Management Systems, reinforcing Granules' commitment to maintaining high standards of workplace safety and incident prevention. The Company adopts a proactive zero-harm approach supported by regular safety training, industrial hygiene practices, risk assessments, digital monitoring tools, and leadership-driven safety governance.

Granules also focuses on holistic employee well-being through annual health screenings, medical insurance coverage, wellness initiatives, and employee engagement programs. Advanced digital systems such as the Universal CAPA Tracker and Safety Risk Intelligence Dashboard (SRID) strengthen risk visibility,

incident tracking, and timely corrective actions. Through continuous monitoring, awareness programs, and employee participation, Granules promotes a strong culture of safety, health, and well-being across the organization

#### Key Actions

- Strengthening a proactive safety culture through leading safety indicators, employee engagement, and zero-harm initiatives.
- Maintaining ISO 45001-certified Occupational Health and Safety Management Systems across all manufacturing facilities.
- Conducting regular safety training and awareness programs for employees, workers, and contractors.
- Enhancing occupational health programs through industrial hygiene monitoring, periodic health surveillance, and preventive healthcare initiatives.
- Expanding employee well-being initiatives including medical insurance, wellness programs, and health check-ups.
- Strengthening contractor and value chain safety management practices through compliance monitoring and engagement.
- Leveraging digital systems such as CAPA Trackers and Safety Risk Intelligence Dashboards (SRID) for proactive risk identification and closure management.
- Benchmarking health and safety performance indicators against global pharmaceutical and industry best practices.

#### Highlights / Achievements

- Received the Silver Award at the CII National EHS Excellence Awards 2025 for the Gagillapur Unit and Granules Life Sciences site.
- Unit-I Bonthapally and Unit-IV Visakhapatnam received the Bronze Award at the CII National EHS Excellence Awards 2025.
- Achieved Zero Reportable Safety Incidents during the reporting period.
- 100% of employees and workers trained on safety work practices.
- Achieved 100% Return-to-Work rate.
- 100% of manufacturing facilities certified under ISO 45001 Health and Safety Management System.
- 100% of employees covered under annual health screenings and medical insurance benefits.
- Successfully rolled out the Universal CAPA Tracker and Safety Risk Intelligence Dashboard (SRID) to improve corrective action closure discipline and enhance risk visibility.



#### **Businesses should respect the interests of and be responsive to all their stakeholders Granules' Approach**

Granules is committed to building transparent, inclusive, and long-term relationships with all its stakeholders, including employees, customers, suppliers, investors, regulators, industry bodies, and local communities. The Company follows a structured stakeholder engagement framework that enables continuous dialogue, collaboration, and responsiveness to stakeholder expectations and emerging sustainability priorities.

The Company undertakes regular stakeholder interactions and materiality assessments aligned with globally recognized frameworks such as GRI to identify and prioritize key environmental, social, and governance (ESG) topics relevant to business growth and stakeholder interests. Granules integrates stakeholder feedback into sustainability strategy, internal KRAs, operational improvements, and long-term business planning.

Granules actively participates in global and industry initiatives such as UNGC, UN-WEP, PSCI, Project Gigaton, M2030, and SMETA, demonstrating its commitment towards responsible business practices, sustainability, ethical supply chains, and stakeholder inclusiveness. Through ongoing engagement, supplier collaboration programs, and transparent disclosures, the Company continues to strengthen stakeholder trust and create shared value across the value chain.

#### **Key Actions**

- Periodically reviewing and strengthening stakeholder mapping and prioritization processes.
- Conducting materiality assessments aligned with GRI and other global sustainability frameworks to identify key ESG priorities.
- Enhancing structured stakeholder engagement platforms, including customer, supplier, investor, employee, and community interactions.
- Integrating stakeholder insights and feedback into sustainability strategies, operational improvements, and organizational KRAs.
- Participating in global sustainability and responsible business initiatives to strengthen stakeholder collaboration and accountability.
- Engaging suppliers through sustainability programs to improve responsible sourcing and product carbon footprint assessments.
- Strengthening disclosure transparency through sustainability reporting, ESG communications, and stakeholder outreach initiatives.
- Promoting continuous engagement with industry platforms and customers on ethical, environmental, and supply chain sustainability topics.

#### **Highlights / Achievements**

- Became an official signatory to the UN-WEP (UN Women's Empowerment Principles), reaffirming commitment to gender equality and SDG 5.
- Became a member of the British Safety Council (BSC) and the National Safety Council (NSC), strengthening commitment towards workplace health and safety excellence.
- Joined the Pharmaceutical Supply Chain Initiative (PSCI) as an official Supplier Partner, reinforcing commitment to ethical and sustainable supply chain practices.
- Retained membership with the UNGC (United Nations Global Compact), reaffirming alignment with the Ten Principles covering human rights, labour, environment, and anti-corruption.
- Engaged and supported suppliers through the Supplier Sustainability Program to enable product carbon footprint assessments.
- Undertook several internal stakeholder engagement initiatives to develop sustainability strategy and organization-wide sustainability KRAs.
- Received the Sustainability Award at Haleon's Winning Together – Supplier Summit 2026 for measurable progress in environmental sustainability and responsible manufacturing.
- Achieved Sedex Supplier Plus Certification, demonstrating strong performance across social, environmental, and responsible sourcing practices.
- Continued customer engagement through platforms including PSCI, M2030, Project Gigaton, and SMETA.



#### **Businesses should respect and promote human rights**

Granules is committed to respecting and promoting human rights across its operations and value chain by fostering a workplace culture built on dignity, equality, fairness, and inclusion. The Company upholds internationally recognized human rights principles through alignment with global frameworks such as the United Nations Global Compact (UNGC), UN Women's Empowerment Principles (UN-WEP), and SA8000 Social Accountability standards.

Granules ensures fair treatment of employees through non-discriminatory practices, fair wages, equal opportunity, and safe working conditions. Human rights considerations are integrated into employee policies, supplier assessments, and governance frameworks to strengthen responsible business practices across the value chain.

The Company promotes awareness and accountability through regular Code of Conduct and human rights training programs,

robust grievance redressal mechanisms, and whistle-blower systems that encourage transparent and responsible reporting of concerns. Through continuous monitoring, supplier engagement, and leadership commitment, Granules continues to strengthen its human rights performance and responsible workplace culture.

### Key Actions

- Conducting periodic human rights risk and impact assessments across operations and value chain activities.
- Integrating human rights and labour compliance requirements into supplier onboarding and assessment processes.
- Strengthening awareness and training programs on human rights, diversity, inclusion, and ethical workplace practices.
- Maintaining accessible grievance redressal and whistle-blower mechanisms to encourage transparent reporting and timely resolution of concerns.
- Ensuring fair wages, non-discrimination, equal opportunity, and ethical labour practices across all locations.
- Expanding supplier audits and assessments covering labour practices and human rights compliance.
- Integrating human rights-related risks into enterprise risk management and governance processes.
- Promoting alignment with internationally recognized frameworks such as UNGC, UN-WEP, and SA8000 standards.

### Highlights / Achievements

- Continued commitment to the principles of the United Nations Global Compact (UNGC) covering human rights, labour, environment, and anti-corruption.
- Became an official signatory to the UN-WEP (UN Women's Empowerment Principles), reaffirming commitment to gender equality and SDG 5.
- Achieved a Gold Rating in the first corporate-level EcoVadis Sustainability Assessment, placing Granules in the 97<sup>th</sup> percentile with an overall score of 79/100, including 74/100 in Labour and Human Rights.
- 100% of employees trained on the Code of Conduct, including human rights-related aspects.
- 100% of employees received wages above the minimum requirements prescribed under local labour laws.
- Over 90% of value chain partners assessed for selected human rights issues.
- All employees trained on whistle-blower mechanisms to support transparent reporting and responsible workplace practices.
- Successfully achieved SA8000 Social Accountability Compliance Certification across all sites, demonstrating commitment to ethical labour practices and responsible workplace management.



### Principle 6

### Businesses should respect, protect, and make efforts to restore the environment

Granules is committed to minimizing its environmental footprint through responsible resource management, climate action, pollution prevention, and sustainable operational practices. The Company integrates environmental stewardship into its business strategy through ISO 14001-certified Environmental Management Systems across all manufacturing facilities and a strong focus on decarbonization, water stewardship, renewable energy adoption, and circular economy practices.

Granules has established a long-term commitment to achieve Net Zero emissions by 2050, with targets validated by the Science Based Targets initiative (SBTi) and aligned with the 1.5°C pathway. The Company continuously works toward reducing Scope 1, Scope 2, and value chain emissions through renewable energy sourcing, energy efficiency initiatives, waste valorization, sustainable manufacturing practices, and comprehensive Scope 3 inventory management.

The Company also focuses on advancing water neutrality, improving wastewater recycling, strengthening hazardous waste co-processing, and enhancing biodiversity and ecosystem stewardship initiatives. Recognition through global sustainability platforms such as CDP and EcoVadis reflects Granules' strong environmental performance and continued commitment towards responsible environmental management.

### Key Actions

- Advancing the roadmap towards Net Zero emissions by 2050 in line with SBTi-approved targets and the 1.5°C pathway.
- Increasing renewable energy utilization across operations through PPAs, rooftop solar installations, biofuels, and I-RECs.
- Implementing energy efficiency and emission reduction initiatives across manufacturing operations.
- Advancing water stewardship and water neutrality initiatives through recycling, watershed assessments, and community interventions.
- Strengthening circular economy practices through waste minimization, co-processing, recycling, and landfill diversion programs.
- Expanding Scope 3 emissions assessment and value chain engagement using robust methodologies and relevant emission factors.
- Maintaining ISO 14001-certified Environmental Management Systems across all manufacturing facilities.
- Promoting biodiversity protection and ecosystem restoration through sustainable environmental management practices.

## Highlights / Achievements

- Committed to achieving Net Zero emissions by 2050, with targets approved by the Science Based Targets initiative (SBTi) and aligned to the 1.5°C pathway.
- Achieved the CDP Climate Change A List 2025, progressing from C to B to A over three assessment cycles.
- Earned CDP ratings of B and B- in the first-time Water Security and Forests disclosures, respectively.
- Achieved an A List rating in CDP's Supplier Engagement Assessment (SEA) 2025, demonstrating strong climate engagement across the supply chain.
- Received a Gold Rating in the first corporate-level EcoVadis Sustainability Assessment, ranking in the 97<sup>th</sup> percentile with an Environment score of 78/100.
- Gagillapur and Bonthapally Unit-I facilities were recognized as Water Neutrality Aspiring Plants by the CII-Triveni Water Institute (CII-TWI) for completing baseline and watershed delineation studies and identifying community intervention opportunities.
- Gagillapur Unit achieved Zero Waste to Landfill (ZWTL) Certification with Platinum+ Rating, with over 99% waste diversion from landfill.
- Achieved 45.7% reduction in Scope 1 and Scope 2 absolute emissions compared to the FY23 baseline year.
- 98% of electricity consumption sourced from renewable energy through PPAs, rooftop solar, and I-RECs.
- 37% of total energy consumption sourced from renewable energy sources including biofuel, PPAs, rooftop solar, and I-RECs.
- 39% of wastewater generated was recycled during the reporting period.
- 83% of hazardous waste sent for co-processing.
- Completed comprehensive Scope 3 emissions inventory assessment using robust methodologies and relevant emission factors.
- 100% of manufacturing plants certified under ISO 14001 Environmental Management System.



### Principle 7

### Businesses should engage in influencing policy responsibly

Granules is committed to engaging in public policy advocacy in a responsible, transparent, and ethical manner that supports sustainable industry growth and broader societal interests. The Company actively collaborates with industry associations, global forums, and regulatory platforms to contribute toward discussions on sustainability, pharmaceutical manufacturing, climate action, workplace safety, and responsible supply chain practices.

Granules' policy engagement activities are guided through a structured public advocacy framework that promotes transparency, accountability, and alignment with the Company's ESG priorities and values. Through active participation in industry bodies such as CII, PSCI, BDMAI, and global sustainability platforms, the Company contributes to sector-wide dialogue and knowledge sharing on responsible business practices and sustainable development.

The Company also engages with policymakers, industry experts, and value chain partners to support collaborative solutions on emerging environmental, social, governance, and pharmaceutical sector challenges. Through continuous participation in industry forums and sustainability discussions, Granules aims to contribute meaningfully toward responsible policy development and long-term industry resilience.

## Key Actions

- Strengthening governance frameworks and policies guiding public advocacy and policy engagement activities.
- Promoting transparency and accountability in external engagements and policy advocacy initiatives.
- Aligning public policy engagement with ESG priorities, sustainability commitments, and responsible business practices.
- Participating in industry associations, global sustainability forums, and sectoral platforms to contribute toward collaborative policy discussions.
- Engaging with regulators, industry peers, and stakeholders on sustainability, climate action, workplace safety, and responsible pharmaceutical manufacturing practices.
- Expanding participation in global and industry initiatives related to responsible supply chains, decarbonization, and industrial innovation.
- Monitoring the impact and effectiveness of advocacy and engagement initiatives through continuous stakeholder interactions and industry collaborations.

## Highlights / Achievements

- Member of the British Safety Council (BSC) and the National Safety Council of India (NSCI), reinforcing commitment toward workplace health and safety excellence.
- Developed a formal Public Advocacy Policy to guide responsible policy engagement and advocacy activities.
- Became a Founding Member of the Centre for Fourth Industrial Revolution (C4IR) – World Economic Forum.
- Represented Granules at CPHI Milan with a presentation on "Sustainable Futures: Navigating the Scope 3 Challenge – Zero Carbon Molecules in Pharma's Decarbonization Journey," highlighting strategies to reduce value chain emissions in the pharmaceutical sector.
- Active member of the Bulk Drug Manufacturers Association of India (BDMAI), engaging with industry peers and government bodies on pharmaceutical industry matters.

- Member of the Pharmaceutical Supply Chain Initiative (PSCI) and the Confederation of Indian Industry (CII), supporting responsible and sustainable industry practices.



### Principle 8

### Businesses should promote inclusive growth and equitable development

Granules is committed to creating long-term social value through inclusive and impactful community development initiatives aligned with national priorities and the Sustainable Development Goals (SDGs). The Company's CSR approach focuses on healthcare, education, skill development, livelihood enhancement, environmental sustainability, sports, and community well-being, particularly in underserved and rural communities.

Granules continuously engages with local communities and stakeholders to identify key development needs and implement meaningful interventions that improve quality of life and promote equitable growth. The Company's flagship initiatives, including the Pharma Pathashala program and healthcare outreach initiatives, are designed to enhance employability, improve healthcare access, support education, and drive sustainable community development.

Granules also collaborates with academic institutions, foundations, NGOs, and social organizations to strengthen the reach and impact of its CSR programs. Through strategic partnerships, structured impact assessment, and continuous community engagement, the Company aims to create shared value and contribute towards inclusive socio-economic progress.

### Key Actions

- Expanding CSR initiatives across healthcare, education, livelihood development, environmental sustainability, and community welfare.
- Strengthening impact monitoring and evaluation mechanisms to assess program effectiveness and long-term outcomes.
- Collaborating with NGOs, educational institutions, healthcare organizations, and community partners to enhance program reach and effectiveness.
- Aligning CSR initiatives with business strengths, sustainability priorities, and relevant SDGs.
- Enhancing livelihood development, employability, and skill-building initiatives for rural youth and underserved communities.
- Supporting healthcare access, preventive care, and awareness programs for vulnerable populations.
- Promoting environmental awareness and sustainable community practices through plantation drives and eco-friendly initiatives.
- Encouraging education, research, sports, and cultural development through targeted community support programs.

### Highlights / Achievements

- Honoured with the "Best CSR Initiative" Award for its exemplary work in breast cancer screening and awareness in rural communities at the Indian Social Impact Awards held in New Delhi.
- About 3,677 free consultations were provided to women in rural areas through our state-of-the-art mobile breast cancer screening unit, "Breast Health Express," along with 1,769 mammograms and 395 ultrasounds.
- During the current year, more than 150 beneficiaries were trained in pharmaceutical skills through Granules Pharma Patashala, a program implemented in collaboration with Swarna Bharath Trust. Since its inception in 2017, the initiative has trained over 1,600 rural youth.
- 4 Vidya Volunteers were appointed in government schools to address teaching staff gaps, improving learning outcomes for over 600 students.
- 1,030 TB patients in Bhadrachalam District were provided with free nutrition kits for six months to support and aid their recovery process.
- Over 100 students benefited from the infrastructural transformation of the Government Boys BC Hostel at Parawada in Anakapalli district, Andhra Pradesh.
- 20 aspiring UPSC candidates from economically weaker sections were supported with scholarships to continue their preparation.
- About 70 government school students were provided with mentorship and tuition classes in collaboration with PSS Trust to improve their learning outcomes.
- Over 300 differently abled students were provided with comprehensive education (school) kits, strengthening their access to quality learning resources and supporting their academic progress.
- Over 6,000 eco-friendly clay idols were distributed to communities around our manufacturing units to promote environmentally responsible festival celebrations.
- 150 units of blood were collected through a blood donation drive to support cancer patients at a government hospital.
- A total of 4 lakh water bottles were distributed during large crowd gatherings to support access to safe drinking water.
- Around 40 underprivileged children from single-parent households in Khammam district are supported through education and nutrition assistance under Project Alambana, in collaboration with Rose Charitable Trust.
- Around 300 students at ZP High School, Jinnaram, Telangana, are supported through mid-day meals in collaboration with Akshaya Patra to enhance nutrition, improve learning outcomes, and promote regular school attendance.



- In collaboration with the Heartfulness Institute, Granules conducted the 4<sup>th</sup> edition of the Granules Green Heartfulness Run (Half Marathon), engaging over 100,000 participants, while also supporting the plantation of 18,000+ native trees as part of the initiative.
- Over 5,000 participants were engaged through the Examthon Marathon in collaboration with College Mentor to promote stress-free education and student well-being.
- Over 2,900 children across 23 government schools in Gummadidala Mandal were covered through eye screening camps conducted in collaboration with LV Prasad Eye Institute (LVPEI), with spectacles provided to those identified with vision issues to improve their vision health.
- Supported Mr. Yaswant Naik, a young mountaineer, in his expedition to summit Mount Reo Purgyl (6,816 meters), reflecting a commitment to encouraging talent and promoting sports development.
- In collaboration with NIPER, Mohali, established the Dr. Chigurupati Centre of Excellence to advance innovative and sustainable pharmaceutical research while fostering future scientific talent.
- Supported IIT Hyderabad in establishing a Chair Professorship to advance research on innovative processes.
- Extended support to the Messi GOAT Tour, fostering youth engagement in sports and promoting a culture of fitness and active lifestyles.
- Supported Hrudaya Cure a Little Heart Foundation in facilitating heart surgeries for underprivileged children.
- Supported the Hyderabad Literary Festival to promote art, literature, and cultural engagement.
- Supported the Telangana Life Sciences Foundation in promoting skill development initiatives within the pharmaceutical and life sciences sectors.



Granules is committed to delivering safe, high-quality, and reliable pharmaceutical products while maintaining transparency, responsiveness, and trust with customers and consumers. The Company follows robust quality management systems, SOP-driven operational processes, and stringent regulatory compliance practices to ensure product safety, efficacy, and consistency across its portfolio.

Granules maintains a strong focus on customer satisfaction through effective complaint management systems, continuous engagement, and timely resolution mechanisms. The Company also promotes responsible product stewardship by providing relevant information on product usage, environmental impact, and safe disposal practices.

To strengthen consumer trust and operational resilience, Granules has established strong data privacy and cybersecurity controls aimed at safeguarding sensitive information and preventing data breaches. Through continuous improvement initiatives, digital integration, and responsible business practices, the Company remains committed to creating sustainable value for customers and consumers globally.

### Key Actions

- Strengthening product quality, safety, and pharmacovigilance systems across operations and value chain activities.
- Enhancing customer grievance redressal and feedback management mechanisms to improve responsiveness and satisfaction.
- Ensuring timely investigation and closure of customer complaints through structured quality systems and CAPA processes.
- Promoting transparency through product-related disclosures on safe usage, environmental impact, and disposal practices.
- Strengthening cybersecurity, data privacy, and information protection frameworks to safeguard customer and business information.
- Leveraging digital systems and analytics to improve product traceability, customer insights, and operational efficiency.
- Conducting regular monitoring and continuous improvement initiatives to enhance product stewardship and customer engagement practices.
- Maintaining compliance with applicable pharmaceutical quality, safety, and regulatory standards across all operations.

### Highlights / Achievements

- 100% of customer complaints were resolved within defined timelines, with no complaints pending at year-end.
- 100% of products include information related to environmental impact, safe usage, and disposal practices.
- Reported zero data breaches or privacy incidents during the reporting period.
- Received the Sustainability Award at Haleon's Winning Together – Supplier Summit 2026, recognizing progress in environmental sustainability and responsible pharmaceutical manufacturing.
- Received a "Mature" rating from GSK for the Gagillapur and Bonthapally Unit-1 sites in the Water Stewardship Questionnaire, reflecting strong alignment of water targets with expectations and continued commitment towards effective water stewardship practices.
- Achieved SEDEX Supplier Plus Certification, demonstrating strong performance across social, environmental, and responsible sourcing practices within the supply chain

## Section

## A

## General Disclosures

## I. Details of the listed entity

|                                                                                                           |                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Corporate Identity Number (CIN) of the Listed Entity                                                   | L24110TG1991PLC012471                                                                                                                                                   |
| 2. Name of the Listed Entity                                                                              | Granules India Limited                                                                                                                                                  |
| 3. Year of Incorporation                                                                                  | 1991                                                                                                                                                                    |
| 4. Registered office address                                                                              | 15 <sup>th</sup> Floor, Granules Tower, Botanical Garden Road, Kondapur, Hyderabad, Telangana - 500084, India                                                           |
| 5. Corporate office address                                                                               | 15 <sup>th</sup> Floor, Granules Tower, Botanical Garden Road, Kondapur, Hyderabad, Telangana - 500084, India                                                           |
| 6. E-mail                                                                                                 | <a href="mailto:investorrelations@granulesindia.com">investorrelations@granulesindia.com</a>                                                                            |
| 7. Telephone                                                                                              | 040-69043500                                                                                                                                                            |
| 8. Website                                                                                                | <a href="https://granulesindia.com/">https://granulesindia.com/</a>                                                                                                     |
| 9. Financial year for which reporting is being done                                                       | 2025-26                                                                                                                                                                 |
| 10. Name of the Stock Exchange(s) where shares are listed                                                 | Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE)                                                                                          |
| 11. Paid-up capital                                                                                       | ₹ 247.8 (in million)                                                                                                                                                    |
| 12. Name and contact details of the person who may be contacted in case of any queries on the BRSR report | Ms. Chaitanya Tummala,<br>Company Secretary,<br>Phone No: 040-69043500,<br><a href="mailto:investorrelations@granulesindia.com">investorrelations@granulesindia.com</a> |
| 13. Reporting Boundary                                                                                    | The disclosures made in this Report are on a standalone basis for Granules India Limited                                                                                |
| 14. Name of assurance provider                                                                            | Bureau Veritas (India) Pvt. Ltd.                                                                                                                                        |
| 15. Type of assurance obtained                                                                            | BRSR Core – Reasonable assurance<br>Remaining part of BRSR – Limited assurance                                                                                          |

## II. Products/services

## 16. Details of business activities (accounting for 90% of the turnover):

| SL NO. | Description of Main Activity | Description of Business Activity                                                                                                                         | % of Turnover of the entity |
|--------|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 1)     | Pharmaceuticals              | Development, manufacturing and sale of Active Pharmaceutical Ingredients (API), Pharmaceutical Formulation Intermediates (PFI) and Finished Dosages (FD) | 100%                        |

## 17. Products/services sold by the entity (accounting for 90% of the entity's turnover)

| SL NO. | Product and Services                                  | NIC Code | % of Total Turnover Contributed |
|--------|-------------------------------------------------------|----------|---------------------------------|
| 1)     | Manufacture of allopathic pharmaceutical preparations | 21002    | 100%                            |

## III. Operations

## 18. Number of locations where plants and/or operations/offices of the entity are situated

| Location      | Number of Plants                | Number of Offices | Total |
|---------------|---------------------------------|-------------------|-------|
| National      | 6 manufacturing plants & 4 R&Ds | 1                 | 11    |
| International | 0                               | 0                 | 0     |

| Plants in India      | Location                                                                                                                            |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Finished Dosage Unit | 160/A, 161/E, 162 & 174/A, Gagillapur Village, Dundigal Gandimaisamma Mandal, Medchal-Malkajgiri District- 500043, Telangana, India |
| API Unit – I         | Sy. No. 533, 535, 536, 537 Temple Road, Bonthapally Village, Gummadidala Mandal, Sangareddy District – 502 313, Telangana, India.   |
| API Unit – II        | Plot No. 15A/1, Phase III, IDA Jeedimetla, Qutubullapur Mandal, Medchal-Malkajgiri District, Hyderabad – 500 055, Telangana, India. |
| API Unit – III       | Sy.No.216, Bonthapally Village, Gummadidala Mandal, Sangareddy District – 502 313, Telangana, India.                                |
| API Unit – IV        | Plot No 8, J.N. Pharma City, Tadi Village, Parawada Mandal, Anakapalli District – 531 019, Andhra Pradesh, India.                   |
| API Unit – V         | Plot No. 30, J. N. Pharma City, Parawada Mandal, Anakapalli District – 531 019, Andhra Pradesh, India.                              |

  

| R&D Centers (National) | Location                                                                                                                                                                                              |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.                     | Plot No. 56, Road No. 5, ALEAP Industrial Area, Pragathi Nagar, Gajularamaram Village, Qutubullapur Mandal, Medchal-Malkajgiri District, Hyderabad – 500 072, Telangana, India.                       |
| 2.                     | Survey Nos. 234/1 to 4 and 6 to 7, 235 /6 to 9 and 245/1 to 3, India Land Global Industrial Park, Hinjewadi Phase -1, Mulshi Taluka, Pune District – 411 057, Maharashtra, India.                     |
| 3.                     | H.No.5-33, Sy No.352, Plot No. 8, Road No. 2, ALEAP Industrial Area, Pragathi Nagar, Gajularamaram village, Qutubullapur Mandal, Medchal- Malkajgiri District, Hyderabad – 500 072, Telangana, India. |
| 4.                     | Lab No: 11 & 13, Building No:1800, Sy No. 101,101/2 & 340, M. N. Park, Genome Valley, Lalgadi Malakpet Village, Shameerpet Mandal, Medchal- Malkajgiri District, 500 078, Telangana, India.           |

## 19. Markets served by the entity

### a) Number of locations

| Locations                        | Number        |
|----------------------------------|---------------|
| National (No. of States)         | Pan India     |
| International (No. of Countries) | 80+ Countries |

### b) What is the contribution of exports as a percentage of the total turnover of the entity?

92.10% of the business comes from exports.

### c) A brief on types of customers

Granules India Limited (GIL) is a distinguished pharmaceutical company specializing in the production of Active Pharmaceutical Ingredients (API), Pharmaceutical Formulation Intermediates (PFI), and Finished Dosages (FD) products. Since its establishment in 1991, the company has successfully expanded into key international pharmaceutical markets, including the United States of America, Canada, Latin America, Europe, Asia Pacific, and India.

Renowned for its innovative processes and exceptional efficiencies, Granules India Limited supplies a diverse range of over 60 molecules and pharmaceutical products to more than 300 customers across 80 countries. The company maintains a strong global presence with offices strategically located in India, the United States, and the United Kingdom.

Granules India Limited operates six state-of-the-art manufacturing facilities, with four located in Hyderabad, Telangana, and two in Visakhapatnam, Andhra Pradesh. These facilities hold regulatory approvals from esteemed agencies such as the US FDA, EDQM, EU GMP, COFEPRIS, WHO GMP, TGA, KFDA, DEA, MCC, and HALAL, ensuring adherence to international quality standards.

Granules is a preferred supplier of superior quality pharmaceutical products for the world's leading branded pharma and generics companies, as well as to the top retailers in developed markets. Exports now contribute over 92% of the Company's revenue.

## IV. Employees

## 20. Details as of March 31, 2026

## a. Employees and workers (including differently abled)

| SL NO.    | Particulars              | Total (A) | Male    |        | Female |        |
|-----------|--------------------------|-----------|---------|--------|--------|--------|
|           |                          |           | No. (B) | %(B/A) | No.(C) | %(C/A) |
| EMPLOYEES |                          |           |         |        |        |        |
| 1.        | Permanent(D)             | 4306      | 3842    | 89%    | 464    | 11%    |
| 2.        | Other than Permanent (E) | 0         | 0       | 0      | 0      | 0      |
| 3.        | Total Employees (D+E)    | 4306      | 3842    | 89%    | 464    | 11%    |
| WORKERS   |                          |           |         |        |        |        |
| 1.        | Permanent(F)             | 0         | 0       | 0      | 0      | 0      |
| 2.        | Other than Permanent (G) | 2217      | 1760    | 79%    | 457    | 21%    |
| 3.        | Total Workers (F+G)      | 2217      | 1760    | 79%    | 457    | 21%    |

## b. Differently abled employees and workers

| SL NO.                      | Particulars                             | Total (A) | Male    |         | Female |         |
|-----------------------------|-----------------------------------------|-----------|---------|---------|--------|---------|
|                             |                                         |           | No. (B) | % (B/A) | No.(C) | % (C/A) |
| DIFFERENTLY ABLED EMPLOYEES |                                         |           |         |         |        |         |
| 1.                          | Permanent(D)                            | NA        | NA      | NA      | NA     | NA      |
| 2.                          | Other than Permanent (E)                | NA        | NA      | NA      | NA     | NA      |
| 3.                          | Total differently abled employees (D+E) | NA        | NA      | NA      | NA     | NA      |
| DIFFERENTLY ABLED WORKERS   |                                         |           |         |         |        |         |
| 1.                          | Permanent(F)                            | NA        | NA      | NA      | NA     | NA      |
| 2.                          | Other than Permanent (G)                | NA        | NA      | NA      | NA     | NA      |
| 3.                          | Total Workers (F+G)                     | NA        | NA      | NA      | NA     | NA      |

## 21. Participation/inclusion/representation of women:

|                           | Total (A) | No. and percentage of females |        |
|---------------------------|-----------|-------------------------------|--------|
|                           |           | No. (B)                       | %(B/A) |
| Board of Directors        | 11        | 3                             | 27%    |
| Key Management Personnel* | 6         | 3                             | 50%    |

\*Key Management Personnel comprise of Managing Director, Executive Directors, Chief Financial Officer, and Company Secretary  
Dr. Kandiraju Venkata Sitaram Rao ceased to be Joint Managing Director & CEO of the Company with effect from August 01, 2025.

## 22. Turnover rate for permanent employees and workers:

| Particulars         | FY 2025-26 |        |       | FY 2024-25 |        |       | FY 2023-24 |        |       |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
|                     | Male       | Female | Total | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees | 25%        | 21%    | 25%   | 31%        | 21%    | 30%   | 25%        | 16%    | 25%   |
| Permanent Workers   | NA         | NA     | NA    | NA         | NA     | NA    | NA         | NA     | NA    |



## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 23. Names of holding/ subsidiary/ associate companies/ joint ventures:

| SL NO. | Name of Holding/ Subsidiary/ Associate Companies/ Joint Venture (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 1      | Granules Pharmaceuticals, Inc. (GPI)                                | Subsidiary                                                     | 100%                              | No                                                                                                                           |
| 2      | Ascelis Peptides Private Limited                                    | Subsidiary                                                     | 100%                              | No                                                                                                                           |
| 3      | Granules Life Sciences Private Limited                              | Subsidiary                                                     | 100%                              | No                                                                                                                           |
| 4      | Granules CZRO Private Limited                                       | Subsidiary                                                     | 100%                              | No                                                                                                                           |
| 5      | Granules Pharmaceuticals, GMBH                                      | Subsidiary                                                     | 100%                              | No                                                                                                                           |
| 6      | Granules Consumer Health LLC (GCH)                                  | Step down subsidiary                                           | 100%                              | No                                                                                                                           |
| 7      | Granules Pharmaceuticals Canada, Inc.                               | Step down subsidiary                                           | 100%                              | No                                                                                                                           |
| 8      | Senn Chemicals AG                                                   | Step down subsidiary                                           | 100%                              | No                                                                                                                           |

Note : Granules Pharmaceuticals GMBH, Germany and Granules Pharmaceuticals Canada Inc., Canada were both incorporated in November 2025.

## VI. CSR Details

### 24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

- a) Turnover (in ₹): ₹ 34,740 million
- b) Net worth (in ₹): ₹ 43,991 million

## VII. Transparency and Disclosures Compliances

### 25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | FY 2025-26                                 |                                                              |         | FY 2024-25                                 |                                                              |         |
|---------------------------------------------------|-------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                 | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Yes                                             | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |
| Investors (other than shareholders)               | Yes                                             | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |
| Shareholders                                      | Yes                                             | 3                                          | 0                                                            | -       | 2                                          | 0                                                            | -       |
| Employees and workers                             | Yes                                             | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |
| Customers                                         | Yes                                             | 630                                        | 0                                                            | -       | 580                                        | 0                                                            | -       |
| Value Chain Partners                              | Yes                                             | 0                                          | 0                                                            | -       | 0                                          | 0                                                            | -       |

All factory units have a Grievance redressal committee to redress individual grievances.

- Communities:** Community members may raise grievances by submitting written complaints to the HR Manager of the respective units. These concerns are addressed by the Plant Head in coordination with relevant stakeholders, while Unit Administration ensures timely resolution of all community grievances. No significant concerns have been reported to date.
- Investors/Shareholders:** The Stakeholders Relationship Committee reviews and addresses key aspects of shareholder interests, ensuring effective and transparent investor relations. It oversees the mechanisms established for resolving investor grievances in a timely manner. Granules has also implemented a comprehensive Investor Grievance Redressal Policy, which clearly defines the procedures and protocols for addressing investor concerns efficiently and promptly.

<https://granulesindia.com/wp-content/uploads/2022/03/Investor-Grievance-Redressal-Policy.pdf>

- **Employees:** Granules has established strong internal mechanisms to address grievances related to human rights concerns effectively. Employees and stakeholders are encouraged to report any suspected violations through multiple channels, including their immediate managers, Head of Department, Unit HR Manager, or the Compliance Officer. While employees are generally encouraged to raise concerns with their managers, alternative reporting avenues are available for those who may feel uncomfortable doing so. This approach ensures that all concerns are addressed promptly and in line with the Company's commitment to ethical conduct, transparency, and accountability.
- **Customers:** All customer complaints received were resolved within the timeframes defined in the Quality Standard Operating Procedures, with necessary improvements incorporated into processes. The Company also ensures that no complaints remain pending at the end of the financial year.

To report an adverse experience with a specific Granules drug product, one can call the Granules Pharmacovigilance Team or report at - [drugs.safety@granulesindia.com](mailto:drugs.safety@granulesindia.com)

Customer complaints pertain to packaging, quality, transit, and others.

- **Value Chain Partners:** At Granules, we are committed to fostering transparent and mutually beneficial relationships with our value chain partners. A comprehensive grievance redressal mechanism is in place to ensure timely and effective resolution of concerns. Downstream grievances are managed by the Marketing team, while upstream grievances are addressed by the Supply Chain Management team.

In case of any queries or concerns partners can reach out to <https://granulesindia.com/register-as-supplier/>.

## 26. Overview of the entity's material responsible business conduct issues:

| SL NO. | Material issue identified        | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk /opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                   | In case of risk, approach to adapt or mitigate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|----------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 1      | Climate Change and GHG Emissions | Risk / Opportunity                         | <p><b>Risk:</b> Climate Change will increase the frequency of natural disasters like heat waves, flooding, and cyclones, which have the potential to physically impact our operations. Climate Change will also lead to transition risks like regulatory, legal, technological, and market-based risks.</p> <p><b>Opportunity:</b> Granules is focused on converting transition risk into opportunities through innovation across manufacturing and close collaboration with the value chain.</p> | Granules is adopting a comprehensive approach to GHG risk management and mitigation, aligned with its long-term net zero ambition. During the reporting year, the Company strengthened its GHG emissions estimation across Scope 1, 2, and 3 categories, supported by an enhanced supplier sustainability program to improve upstream data and engagement. Focused initiatives on energy efficiency across manufacturing operations, along with increased adoption of renewable energy and energy optimisation measures, have contributed to reducing overall emissions. Additionally, the Company is adopting the biofuels consumption to lower Scope 1 emissions, further supporting its decarbonisation pathway while integrating climate considerations into core business processes. | Negative in the short term and positive in the Long-Term.                                      |

| SL NO. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk /opportunity                                                                                                                                                                                                                | In case of risk, approach to adapt or mitigate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 2      | Water Management          | Opportunity                                | Effective water and effluent management measures increase our operational efficiency, ensure compliance with regulatory requirements, and enhance the resilience of our business towards water, a critical resource.                                           | We maintain Zero Liquid Discharge (ZLD) systems and Effluent Treatment Plants equipped with RO recovery to ensure effective treatment of effluents, minimising environmental impact and maximising resource reuse. Treated water is recycled back for utility makeup, reducing freshwater intake. Our dependence on groundwater has been lowered through conservation measures such as rainwater harvesting, recycling, and effluent treatment. We have also initiated greywater sourcing to further optimise water use. In addition, the Gagillapur and Bonthapally Unit-I facilities have completed baseline and watershed delineation studies with CII-TWI, identified community intervention opportunities, and have been recognized as Water Neutrality Aspiring Plants, supporting Granules' goal of achieving water neutrality by 2032.                                                                                                                                                                                         | Positive                                                                                       |
| 3      | Waste Management          | Risk/<br>Opportunity                       | <p><b>Risk:</b> Waste-related regulations pose a risk to the companies in the sector.</p> <p><b>Opportunity:</b> A comprehensive resource management plan will help Granules reduce waste generation support in climate initiatives and bring circularity.</p> | <p>Our Gagillapur unit has achieved ZWTL Platinum certification with over 99% waste diversion, while overall waste diversion across all units exceeds 90%. Under our clean manufacturing practices, all solid waste generated at our facilities is directed for co-processing in cement industries or managed through authorized vendors.</p> <p>Both hazardous and non-hazardous wastes are segregated at source and stored in designated areas within the facilities. Hazardous waste is handled category-wise and disposed of through Pollution Control Board-authorized facilities in compliance with regulatory requirements. Nearly all non-hazardous waste is sent to authorized recyclers, ensuring an efficient and responsible waste management system.</p> <p>Granules is also a registered member under the Extended Producer Responsibility (EPR) framework, reinforcing its commitment to sustainable waste management by ensuring environmentally sound collection, recycling, and disposal of post-consumer waste.</p> | Negative/Positive                                                                              |

| SL NO. | Material issue identified          | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk /opportunity                                                                                                  | In case of risk, approach to adapt or mitigate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 4      | Employee Engagement and Well Being | Opportunity                                | The wellness and Well-being of the employees are Granules' priorities. This supports granules in achieving the business goals and opportunities. | <p>Employee well-being and engagement remain key priorities at Granules. The Company conducts regular health awareness initiatives, along with meditation and stress management sessions led by experienced professionals to support holistic wellness.</p> <p>Granules has partnered with the "Previa" platform to provide employees with access to comprehensive healthcare services, including 24x7 doctor consultations, concessional health check-ups, medicine delivery, and fitness resources such as gym access. Annual health check-ups and health insurance coverage are also extended to all employees.</p> <p>At Granules India, the engagement approach is anchored in open communication, inclusivity, and continuous feedback. Regular town halls, leadership interactions, and structured engagement surveys help capture employee sentiments, address concerns, and ensure alignment with organisational values. Contributions are recognised through various reward and recognition programs that celebrate individual and team achievements.</p> <p>The Company also promotes a supportive and growth-oriented workplace through wellness initiatives, learning and development opportunities, and internal mobility pathways, enabling employees to grow both personally and professionally while maintaining a healthy work-life balance.</p> | Positive                                                                                       |



| SL NO. | Material issue identified    | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk /opportunity                                                                                                                                                                                                                                                                       | In case of risk, approach to adapt or mitigate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 5      | Occupational Health & Safety | Risk                                       | <p>Risks related to Exposure of employees to Work-related Hazards and potential legal liabilities due to workplace accidents.</p> <p>Failure to comply with these standards leads to regulatory, reputational, and business continuity risks, which may, in turn, adversely impact our business's sustainability.</p> | <p>We are committed to upholding high standards of Environment, Health &amp; Safety (EHS) and sustainability, supported by an Occupational Health and Safety Management System certified to ISO 45001:2018. To strengthen safety performance, regular third-party audits are conducted through reputed agencies. All manufacturing facilities are equipped with Occupational Health Centres and provide round-the-clock medical support. A Night Manager system has also been introduced to enhance safety oversight during night operations.</p> <p>Employees receive regular training on applicable health and safety guidelines and are encouraged to report unsafe conditions, acts, or near misses to functional heads. We conduct periodic internal risk assessments, process risk analyses, and HAZOP studies to proactively identify and mitigate potential hazards. These assessments evaluate risks related to incidents such as fires, chemical spills, and equipment failures, considering both technical safeguards and operating conditions. Additionally, third-party experts are engaged to carry out fire and electrical safety audits, ensuring a robust and comprehensive safety management framework.</p> | Negative                                                                                       |
| 6      | Human capital Development    | Opportunity                                | Higher Employee retention and enhanced skills support organizational growth and our ability to have a positive impact on communities.                                                                                                                                                                                 | <p>We value diversity in our workforce and make all efforts to ensure that we provide an inclusive working environment and can attract and retain diverse talent. Also, we encourage and nurture talent within the organization by conducting skill development and career development workshops. Granules has partnered with Swarna Bharat Trust to provide skill development programs and nurture talent. Here youth are allowed to participate in the "Earn &amp; Learn" program. Students who are trained at Pharma Pathshala are allowed to work with us after successfully completing the program. Training Grass-Root employees on the Fundamentals of Unit Operation in Manufacturing and Quality Control is being done. Role-based training on guidelines and standards is being initiated for managers engaged in pharmaceutical manufacturing.</p> <p>In addition, learning and development programs span across all levels; from leadership to shop-floor workers: comprising both digital and in-person sessions to support continuous professional and personal growth.</p>                                                                                                                                     | Positive                                                                                       |

| SL NO. | Material issue identified       | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk /opportunity                                        | In case of risk, approach to adapt or mitigate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 7      | Business Ethics and Integrity   | Risk                                       | Business integrity breach can hamper the Company's credibility and affect Brand image. | <p>Our Code of Conduct extends to all stakeholders, including employees, suppliers, contractors, NGOs, and business partners, reinforcing our commitment to ethical and responsible business practices across the value chain. We actively discourage any form of unfair trade practices, misleading or irresponsible advertising, and anti-competitive behaviour.</p> <p>To uphold these standards, the Company has established robust policies and procedures that guide transparent, fair, and compliant business conduct. These include clear guidelines on ethical decision-making, conflict of interest management, responsible sourcing, and adherence to applicable laws and regulations. Regular awareness and communication initiatives are undertaken to ensure that all stakeholders understand and align with these expectations.</p> <p>Through these measures, Granules ensures that its operations are conducted with integrity, accountability, and respect for all stakeholders, thereby strengthening trust and long-term relationships.</p>                                                    | Negative                                                                                       |
| 8      | Data Privacy and Cyber Security | Risk                                       | Threat of Cyber Attacks resulting in loss of reputation and business continuity.       | <p>Inadequate data integrity and security frameworks can result in a higher risk of data breaches and potential loss of critical information. To address this, the Company has been implementing a range of mitigation measures over time and continues to strengthen its systems to safeguard data effectively.</p> <p>Some of the Mitigation Measures of Granules are:</p> <ol style="list-style-type: none"> <li>1. Preparation/Revision of SOPs like IT Policy and Information Security backups.</li> <li>2. All servers and firewall devices are upgraded, and licenses are renewed.</li> <li>3. A vulnerability Assessment is completed by a third party, and Remedial measures taken.</li> <li>4. ISO 27001 certification is planned.</li> <li>5. IT compliance (w.r.t 21 Code of Federal Regulations (CFR) Part 11</li> <li>6. Gap assessment for all GxP systems by third party.</li> <li>7. Third party support for management of IT and Data Security.</li> <li>8. Establish Disaster Recovery Site for critical applications.</li> <li>9. Implement Cloud Backup for critical applications.</li> </ol> | Negative                                                                                       |

## Section

# B

## Management and Process Disclosure

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

|    |                                                                                                                                    |
|----|------------------------------------------------------------------------------------------------------------------------------------|
| P1 | Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable            |
| P2 | Businesses should provide goods and services in a manner that is sustainable and safe                                              |
| P3 | Businesses should respect and promote the well-being of all employees, including those in their value chains                       |
| P4 | Businesses should respect the interests of and be responsive towards all its stakeholders                                          |
| P5 | Businesses should respect and promote human rights                                                                                 |
| P6 | Businesses should respect, protect and make efforts to restore the environment                                                     |
| P7 | Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| P8 | Businesses should promote inclusive growth and equitable development                                                               |
| P9 | Businesses should engage with and provide value to their consumers in a responsible manner                                         |

|                                        | Disclosure Question                                                                                          | P1                                                                                                                                                                                                                                                   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| <b>POLICY AND MANAGEMENT PROCESSES</b> |                                                                                                              |                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    |    |
| 1                                      | a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y                                                                                                                                                                                                                                                    | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
|                                        | b. Has the policy been approved by the Board? (Yes/No)                                                       | Y                                                                                                                                                                                                                                                    | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
|                                        | c. Web link of the policies, if available                                                                    | <a href="https://granulesindia.com/investors/investor-resources/policies/">https://granulesindia.com/investors/investor-resources/policies/</a><br><a href="https://granulesindia.com/sustainability/">https://granulesindia.com/sustainability/</a> |    |    |    |    |    |    |    |    |
| 2                                      | Whether the entity has translated the policy into procedures. (Yes/No)                                       | Y                                                                                                                                                                                                                                                    | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3                                      | Do the enlisted policies extend to your value chain partners? (Yes/No)                                       | Yes                                                                                                                                                                                                                                                  |    |    |    |    |    |    |    |    |

#### 4. Name the national and international codes/ certifications/ labels/ standards

|             |                                                                                                                                                                                                                                                                          |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Principle 1 | Quality Management System (ISO 9001:2015)<br>Implementation of ISO 37001 is progressing, with Stage 1 audit completed, strengthening anti-bribery management practices.                                                                                                  |
| Principle 2 | Integration of ISO 20400 principles is progressing, with Stage 1 audit completed, strengthening sustainable procurement practices.                                                                                                                                       |
| Principle 3 | Occupational Health and Safety Management System (ISO 45001:2018)                                                                                                                                                                                                        |
| Principle 4 | At Granules, we involve key stakeholders in the process of devising our long-term ESG vision. We conduct Materiality assessment in consultation with all our Internal and External Stakeholders as per GRI standards.                                                    |
| Principle 5 | We conduct our business in a manner that abides by human rights and the dignity of people.<br>We have Completed SA8000 Social Accountability Compliance certification across all our sites, demonstrating our commitment to responsible and ethical workplace practices. |
| Principle 6 | Environmental Management System (ISO 14001:2015), ISO 14064 (GHG Accounting), GHG protocol                                                                                                                                                                               |

|             |                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Principle 7 | We play a strong role in public policy advocacy through regular engagement with specific external stakeholders, including industry associations, government bodies, and regulatory departments. We are Developing a public advocacy policy at Granules for policy advocacy engagements.                                                                                                 |
| Principle 8 | Our CSR initiatives are aligned with UN SDGs, UNGC, WEP, and PSCI principles, addressing key community needs across health, education, livelihood, environmental sustainability, and social inclusion, while promoting ethical practices and inclusive development.                                                                                                                     |
| Principle 9 | Granules is committed to understanding and meeting customer expectations while fostering long-term business partnerships. Operating in a highly regulated industry overseen by global health authorities, our products consistently meet regulatory standards. we undergo regular audits by various health authorities to ensure the quality and safety of our products and facilities. |

## 5. Specific commitments, goals and targets set by the entity with defined timelines, if any

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate and Environment Targets | <p><b>Midterm to Long-term Targets</b></p> <ul style="list-style-type: none"> <li>▶ Granules' climate goal aligned with the science-based target for limiting global warming to a 1.5°C temperature goal. <ul style="list-style-type: none"> <li>• Achieve Net Zero by 2050</li> <li>• Reduce Scope 1 and Scope 2 absolute emissions by 42% by FY30 from FY 23 baseline</li> <li>• Reduce Scope 3 absolute emission by 42% by FY30 from FY23 baseline</li> </ul> </li> <li>▶ Sourcing 100% renewable electricity by 2030</li> <li>▶ Adopt supplier's sustainability framework and encourage strategic suppliers to set science-based emission reduction targets by FY27</li> <li>▶ Achieve Zero waste to landfill by 2030</li> <li>▶ Achieve Water Positivity by 2032</li> </ul> <p><b>Short term Targets</b></p> <ul style="list-style-type: none"> <li>▶ Commission the first phase of the group captive renewable power project to meet 60% of Granules India's power requirement by Q2 2027 for Andhra Pradesh Units.</li> <li>▶ Achieve 30% overall biofuel usage in boiler operations across units.</li> <li>▶ Achieve &gt;90% waste diversion from landfill across all operations.</li> <li>▶ Implement projects based on the Water Positivity roadmap developed for GGP and BPL units.</li> </ul>                                                                                                                                                                                                   |
| Social Targets                  | <p><b>Midterm to Long-term Targets</b></p> <ul style="list-style-type: none"> <li>▶ <b>Occupational health and safety:</b> <ul style="list-style-type: none"> <li>• Foster a safety-first culture and target zero workplace fatality</li> <li>• Identify and execute projects to improve workplace safety parameters to the best in class- such as incident rate, Lost Time Injury Frequency Rate (LTIFR) etc.</li> </ul> </li> <li>▶ <b>Employee Engagement:</b> <ul style="list-style-type: none"> <li>• Drive employee engagement for measurable outcomes</li> </ul> </li> <li>▶ <b>Human Capital development:</b> <ul style="list-style-type: none"> <li>• Identify mandatory training and ensure 100% compliance</li> <li>• Target to be in the top quartile in the pharmaceutical industry on L&amp;D parameters</li> </ul> </li> <li>▶ <b>Community impact, relations and development:</b> <ul style="list-style-type: none"> <li>• Drive health, skilling, environmental sustainability, and Volunteering as part of CSR activity</li> <li>• Touch 1 million lives through CSR programs by FY2030</li> </ul> </li> <li>▶ <b>Access, Diversity and Inclusion:</b> <ul style="list-style-type: none"> <li>• Achieve gender pay parity by FY2030</li> <li>• Achieve a 100% increase in women's employment by 2030 compared to FY 24</li> <li>• All plants to be made accessible for physically challenged people</li> <li>• Ensure equal opportunity in selection and promotion</li> </ul> </li> </ul> |

**Short term Targets**▶ **Occupational health and safety:**

- Target zero workplace fatality by identifying set of safety related lead indicators and improving over previous year
- 10% Y-o-Y reduction in the Lost Time Injury Frequency Rate (LTIFR)

▶ **Employee well-being:**

- Expand employee health and wellness program. Initiate mental health program including access to psychological counselling.

▶ **Human Capital development:**

- Identify mandatory training and ensure 100% compliance
- Target 24 hours (3 days) of training and development per employee per year

▶ **Community impact, relations and development:**

- Drive health, skilling, environmental sustainability, and Volunteering as part of CSR activity
- Conduct CSR impact assessment and improve the number of lives impacted by 50%

▶ **Access, Diversity and Inclusion:**

- All plants to be made accessible for physically challenged people
- Ensure equal opportunity in selection and promotion
- Develop a process for increasing the pool of women in the CV sourcing and screening stage of recruitment

**Midterm to Long-term Targets**▶ **Business ethics and integrity:**

- Conduct awareness programs and mandatory code of conduct training
- Ethical business conduct and Zero tolerance to violations through robust culture building and training.

▶ **Sustainability governance:**

- Adopt sustainability governance across the organization and integrate with the ERM framework
- Transparency through disclosures on various ESG reporting platforms

▶ **Data privacy and cyber security:**

- Conduct an annual third-party vulnerability threat assessment, IT & OT security Gap & Convergence Assessment
- Ensure Zero data privacy and cyber security breaches
- Target ISO 27001 certification by year FY2027
- Conduct annual cyber safety awareness & refresher program for the targeted audience within the organization and ensure 100% coverage

**Short term Targets**▶ **Business ethics and integrity:**

- Conduct awareness programs and mandatory code of conduct training
- Ethical business conduct and Zero tolerance to violations through robust culture building and training.

▶ **Sustainability governance:**

- Adopt sustainability governance across the organization and integrate with ERM framework

▶ **Data privacy and cyber security:**

- Conduct annual vulnerability threat assessment, and IT & OT security Gap & Convergence Assessment
- Conduct cyber safety awareness program for targeted audience within the organization and ensure 100% coverage



**6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.**

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Energy    | <ul style="list-style-type: none"> <li>Granules continue to demonstrate a growing commitment to sustainable energy practices. In FY26, renewable energy consumption increased by nearly 72%, rising from 213.24 TJ in FY25 to 366.30 TJ. This shift resulted in 37% of the total energy (Coal + Electricity) being sourced from renewables (Biofuel, Renewable power), a significant step forward in our decarbonization journey.</li> <li>% of Renewable Energy share of consumed Electricity is 98% in FY26 which is notably increased from base year where it was 9.8% in FY23.</li> <li>Despite an increase in overall energy consumption (from 881.18 TJ to 990.10 TJ), the increase in renewable share reflects our active transition toward cleaner energy sources, including biofuels and renewable electricity.</li> </ul>                                                                                                                                                                                                                                                   |
| Emissions | <ul style="list-style-type: none"> <li>Notably, energy intensity (TJ per MT of production) declined from 0.0176 TJ in FY25 to 0.0172 TJ in FY26.</li> <li>Since our base year (FY23), we have achieved a 45.7% reduction in total Scope 1 and Scope 2 (market-based) emissions; bringing it down from 112,571 tCO<sub>2</sub>e in FY23 to 61,136 tCO<sub>2</sub>e in FY26. This includes an 19.8% drop compared to the previous year alone.</li> <li>This remarkable progress is driven by our increasing use of renewable energy and energy-efficient operations. One of the key steps we took was installing a 1 MW on-site solar power system at our Gagillapur unit, which is now contributing to our clean energy supply.</li> <li>While our direct emissions (Scope 1) remained almost constant, we made significant progress in reducing our electricity-related emissions (Scope 2). Market-based Scope 2 emissions dropped sharply from 56,306 tCO<sub>2</sub>e in FY23 to 1285 tCO<sub>2</sub>e in FY 26, showing our shift towards greener electricity sources.</li> </ul> |
| Water     | <ul style="list-style-type: none"> <li>Specific water consumption improved from 4.33 KL/MT in FY25 to 4.16 KL/MT in the current year, reflecting enhanced operational efficiency.</li> <li>39% of the wastewater generated is recycled, reinforcing our commitment to sustainable water management and circular practices.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Waste     | <ul style="list-style-type: none"> <li>Around 83% of the hazardous waste is disposed of by cement industries for co-processing, thereby promoting circular economy as well as reducing the GHG footprint.</li> <li>100% of our non-hazardous waste generated at our operations are recycled through authorized vendors</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**GOVERNANCE, LEADERSHIP AND OVERSIGHT**

**7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).**

At Granules India Limited, sustainability remains deeply embedded in our business philosophy and strategic direction, anchored in our purpose of “Healing lives responsibly through pioneering green science.” During the reporting period, we continued to strengthen our Environmental, Social, and Governance (ESG) performance, while proactively responding to evolving regulatory frameworks, stakeholder expectations, and operational challenges.

Granules India Limited achieved inclusion in the CDP Climate Change ‘A List’ (2025), marking a consistent progression from C to B to A over three disclosure cycles and reflecting strong climate governance and performance. The Company also expanded its environmental disclosures by participating in CDP’s Water Security and Forests assessments for the first time, securing ratings of B and B-, respectively.

We are pleased to have secured an ‘A List’ rating in CDP’s Supplier Engagement Assessment (SEA) 2025), reflecting our strong commitment to embedding climate accountability across our supply chain and actively engaging suppliers in sustainability aligned practices.

Additionally, our S&P Global ESG Score of 62 (out of 100) provides independent validation of our performance across environmental, social, and governance dimensions, underscoring the effectiveness of our integrated and holistic approach to sustainability.

Our long-term climate strategy continues to be anchored in our Net Zero target for 2050, validated by the Science Based Targets initiative (SBTi) and aligned with the 1.5°C pathway. This validation reinforces our structured, science-based approach to decarbonisation and underlines our commitment to transitioning towards a low-carbon future.

Granules achieved a Gold rating in its first corporate-level EcoVadis assessment, ranking among the top 5% of companies globally with a score of 79/100 (97<sup>th</sup> percentile), reinforcing its commitment to sustainable and responsible business practices.

On the environmental front, the Gagillapur and Bonthapally Unit-I facilities have been recognized as Water Neutrality Aspiring Plants, based on baseline assessments and watershed delineation studies carried out in collaboration with CII-TWI, supporting our 2032 Water Neutrality goal.

Additionally, the Gagillapur unit has attained Zero Waste to Landfill (ZWTL) Platinum certification with a diversion rate exceeding 99%, reflecting our strong commitment to circular resource management and sustainable operations.

Granules became an official signatory to the UN Women's Empowerment Principles (UN-WEP), reinforcing its commitment to gender equality and alignment with SDG 5. The Company also joined the Pharmaceutical Supply Chain Initiative (PSCI) as a Supplier Partner. Granules continues its participation in the United Nations Global Compact (UNGC), upholding its ten principles on human rights, labour, environment, and anti-corruption. Memberships with the British Safety Council (BSC) and the National Safety Council (NSC) further strengthen occupational health and safety governance across operations.

During the year, Granules achieved Sedex Supplier Plus certification, reflecting strong performance across ethical, environmental, and responsible sourcing practices within its supply chain. The Company was also recognized by customers at Hialeon's Winning Together Supplier Summit 2026 with a Sustainability Award, acknowledging its measurable progress in environmental sustainability and commitment to responsible pharmaceutical manufacturing.

Our Supplier Sustainability Programme continues to progress, focusing on strengthening ESG alignment across the value chain through enhanced supplier engagement, assessments, and capacity-building initiatives. The programme is aimed at driving transparency, accountability, and continuous improvement in supplier sustainability performance.

We further strengthened our ESG data management capabilities to enhance transparency, accuracy, and accountability, while ensuring alignment with global frameworks including GRI, TCFD, and the UN SDGs. The implementation of a centralized ESG data portal and digital dashboards is enabling improved data consistency, real-time monitoring, and effective oversight across all locations.

Looking ahead, we remain committed to further integrating sustainability into our core business processes, driving innovation, and strengthening organizational resilience. While areas such as Scope 3 emissions measurement, waste circularity, and evolving regulatory requirements continue to present challenges, we view them as opportunities to enhance our leadership in responsible and purpose-driven growth. With a clear strategic direction and strong organisational commitment, we are well positioned to deliver sustainable, long-term value for all our stakeholders.

#### **DR. KRISHNA PRASAD CHIGURUPATI**

Chairman & Managing Director

#### **8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy**

Dr. Krishna Prasad Chigurupati

Designation: Chairman and Managing Director

Telephone number: 040-69043500

e-mail id: [mail@granulesindia.com](mailto:mail@granulesindia.com)

#### **9. Does the entity have a specified committee of the board/director responsible for decision-making on sustainability-related issues? (Yes/ No). If yes, provide details**

- Yes, we have Sustainability & Corporate Social Responsibility committee at the board level, we have established a sustainability governance mechanism - a robust three-tiered governance structure to achieve our sustainability vision.
- The Board of Directors leads our sustainability governance framework, entrusted with setting strategy, overseeing implementation, and monitoring performance. Simultaneously, management is responsible for executing the sustainability strategy, managing related risks and opportunities, and ensuring the accuracy of disclosures.

- The Sustainability & Corporate Social Responsibility Committee of the board convenes semi-annually at the highest level to provide strategic direction and oversight. The executive management team meets quarterly to evaluate progress, address significant issues, and align strategies across the company. At the operational level, plant teams hold monthly meetings to manage daily operations and ensure that the strategic objectives set by the higher tiers are effectively implemented.

#### 10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the company:

| Subject for Review                                                                                             | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee                                                                                                                                                              |    |    |    |    |    |    |    |    | Frequency: Annually (A)/ Half yearly (H)/ Quarterly (Q)/ Any other – please specify |    |    |    |    |    |    |    |    |
|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|-------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
|                                                                                                                | P1                                                                                                                                                                                                                                                            | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1                                                                                  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies & follow up action                                                          | The policies of our Company are reviewed periodically or on a need basis by the Board and Committees of the Board. During this assessment year, the efficacy of the policies was reviewed, and necessary changes to policies and procedures were implemented. |    |    |    |    |    |    |    |    | A                                                                                   | A  | H  | A  | A  | A  | A  | A  | A  |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliance | Granules is compliant with all applicable regulations.                                                                                                                                                                                                        |    |    |    |    |    |    |    |    |                                                                                     |    |    |    |    |    |    |    |    |

\*Note: P3: The frequency of review is half yearly (H) for customers and employees.

#### 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

| P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----|----|----|----|----|----|----|----|----|
| Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |

At Granules policies are periodically evaluated and updated by various department heads/business heads and approved by the management/the Board Committees/the Board. Some of the policies of the company were evaluated by PWC, Deloitte, Bureau Veritas (India) Pvt. Ltd, AFNOR for their effectiveness in our system. The independent assessment by Bureau Veritas (India) Pvt. Ltd has been done as part of the assurance of BRSR.

#### 12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

| Questions                                                                                                                       | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|----|
| The entity does not consider the principles material to its business (Yes/No)                                                   |    |    |    |    |    |    |    |    |    |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) |    |    |    |    |    |    |    |    |    |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         |    |    |    |    |    |    |    |    |    |
| It is planned to be done in the next financial year (Yes/No)                                                                    |    |    |    |    |    |    |    |    |    |
| Any other reason (please specify)                                                                                               |    |    |    |    |    |    |    |    |    |

Not Applicable

## Section



## Principle-Wise Performance Disclosure

### PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

At Granules, we are committed to conducting business with integrity and ensuring our practices uphold high ethical standards by adhering to laws and considering social and environmental impacts.

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

At Granules India, a key part of our business strategy is prioritizing creating an environment where every employee feels supported and empowered. Here we provide essential training for our frontline employees, focusing on unit operations, manufacturing processes, and quality control. We also offer specialized training for managers in pharmaceutical manufacturing, ensuring they understand and follow industry guidelines and standards. These efforts are aimed at improving skills, promoting professional development, and aligning everyone with our company's vision and goals.

Investing in our employees through comprehensive training enhances individual performance and strengthens our overall organizational capacity and capability to innovate and thrive in a competitive market. We are committed to nurturing talent and fostering a culture of continuous learning and growth at Granules India.

| Segment                        | Total number of training and awareness programs held | Topics/ principles covered under the training audits impact                                                                                                                                                                                                                                                                                                                                        | % of persons in respective category covered by the awareness programs |
|--------------------------------|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Board of Directors             | 6                                                    | Periodic familiarisation, awareness programmes and Abundance Longevity are conducted for the Board of Directors and Key Managerial Personnel (KMPs) as part of the Board process. These sessions cover key aspects of the business, strategy, risks, operations, regulatory developments, the Code of Business Conduct and Ethics, as well as environmental, social, and governance (ESG) matters. | 100%                                                                  |
| Key Managerial Personnel (KMP) | 5                                                    | Goal Setting FY'25-26_ Generative Leadership, POSH, Master class on ex strategy, GPTW survey findings & action plan, Team Building- Finance & Accounts                                                                                                                                                                                                                                             | 100%                                                                  |

| Segment                           | Total number of training and awareness programs held | Topics/ principles covered under the training audits impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | % of persons in respective category covered by the awareness programs |
|-----------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Employees other than BoD and KMPs | 38                                                   | First Time Leader, Team Building outbound - F&A, COBC, POSH, Insider Trading, Whistle Blower Policy, Cyber Security, DPDPA, Standing Orders, Emotional Intelligence, GIL Mission, Vision, Values & Motivation, Audit Readiness, Legal SOP Awareness, GPTW Insights & action plan, Arth Sakhi - Finance Acumen, Accountability, AI & Digitalization - Copilot, ChatGPT, Productivity Improvement, Time Management, Organization Skills, Strategic Thinking, Decision Making, Leadership Accountability, Phased Induction, Strategic Leadership for Exponential Business Growth, Mercer Mash 2025 round table, QbD for API development, Technical training at ACG labs, Bootcamp on pharma biopharma industry orientation, RCA, Safety, First aid | 94%                                                                   |
| Workers                           | 7                                                    | Standing Orders, POSH, Human Rights, Major labour laws & acts, COBC, DPDPA, Cyber Security                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 91%                                                                   |

**2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

| Monetary        |                 |                                                                     |               |                   |                                        |
|-----------------|-----------------|---------------------------------------------------------------------|---------------|-------------------|----------------------------------------|
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In H) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine    | Nil             | Nil                                                                 | Nil           | -                 | -                                      |
| Settlement      | Nil             | Nil                                                                 | Nil           | -                 | -                                      |
| Compounding fee | Nil             | Nil                                                                 | Nil           | -                 | -                                      |

  

| Non- Monetary |                 |                                                                     |                   |                                        |
|---------------|-----------------|---------------------------------------------------------------------|-------------------|----------------------------------------|
|               | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment  | Nil             | Nil                                                                 | -                 | -                                      |
| Punishment    | Nil             | Nil                                                                 | -                 | -                                      |

During the financial year, no penalty/fine, settlement, compounding fee, imprisonment, or any kind of punishment has been imposed on the company or the Company's Directors and KMPs.

3. Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|--------------|---------------------------------------------------------------------|
|              | Not Applicable as there were no monetary or non-monetary penalties  |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

We adhere to uncompromising integrity in the conduct of business and do not tolerate corrupt and immoral practices. The Code of Conduct addresses these aspects of anti-corruption/anti-bribery and covers all the stakeholders including groups/ Suppliers/ Contractors/ NGOs/Others. We have procedures in place to ensure that the business is carried out fairly and responsibly. An Employee cannot solicit, encourage, or receive any bribe or other payment, contribution, gift, or favour that could influence our or another's decision.

<https://granulesindia.com/wp-content/uploads/2022/03/COBC.pdf>

5. Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

|           | FY 2025-26 | FY 2024-25 |
|-----------|------------|------------|
| Directors | 0          | 0          |
| KMPs      | 0          | 0          |
| Employees | 0          | 0          |
| Workers   | 0          | 0          |

6. Details of complaints with regard to conflict of interest:

|                                                                                              | FY 2025-26 |         | FY 2024-25 |         |
|----------------------------------------------------------------------------------------------|------------|---------|------------|---------|
|                                                                                              | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0          | Nil     | 0          | Nil     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0          | Nil     | 0          | Nil     |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Since there are no such instances or penalties noted, the requirement for corrective actions does not arise.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

|                                     | FY 2025-26 | FY 2024-25 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 133 days   | 160 days   |

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics                                                                          | FY 2025-26 | FY 2024-25 |
|----------------------------|----------------------------------------------------------------------------------|------------|------------|
| Concentration of Purchases | Purchases from trading houses as % of total purchases                            | 0          | 0          |
|                            | Number of trading houses where purchases are made from                           | 0          | 0          |
|                            | Purchases from top 10 trading houses as % of total purchases from trading house  | 0          | 0          |
| Concentration of Sales     | Sales to dealers/distributors as % of total sales                                | 0.96%      | 0.79%      |
|                            | Number of dealers /distributors to whom sales are made                           | 3          | 2          |
|                            | Sales to top 10 dealers/distributors as % of total sales to dealers/distributors | NA         | NA         |



| Parameter        | Metrics                                                                               | FY 2025-26 | FY 2024-25 |
|------------------|---------------------------------------------------------------------------------------|------------|------------|
| Share of RPTs in | Purchases (Purchases with related parties / Total Purchases)                          | 6.05%      | 4.93%      |
|                  | Sales (Sales to related parties / Total Sales)                                        | 54.10%     | 46.54%     |
|                  | Loans & advances (Loans & advances given to related parties / Total loans & advances) | 0          | 0          |
|                  | Investments (Investments in related parties / Total Investments made)                 | 99.9%      | 99.9%      |

## Leadership Indicators

### 1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

| Total number of awareness programs held                                            | Topics/principles covered under the training                                                               | % age of value chain partners covered (by value of business done with such partners) under the awareness programs |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Awareness sessions conducted separately for all key suppliers in thereporting year | <ul style="list-style-type: none"> <li>Supplier Code of Business Conduct</li> <li>ESG Practices</li> </ul> | 90% of Value chain partners                                                                                       |

We conduct periodic assessments covering 100% of our suppliers for key categories such as Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs), excipients, raw materials, intermediates, and packaging materials, in line with our Vendor Management Procedure. These evaluations encompass critical ESG and CSR parameters, including governance structures, wage and payroll practices, compliance with statutory benefits (PF, ESI, gratuity), health and safety standards, emergency preparedness, chemical handling and storage, as well as waste and wastewater management practices.

As part of our Supplier Sustainability Program and other formal interactions, we engaged with key suppliers through structured surveys during the financial year to strengthen ESG collaboration. This included our Scope 3 GHG assessment, wherein suppliers were requested to provide detailed data on their manufacturing processes, energy and fuel consumption, Scope 1, Scope 2, and Scope 3 emissions, along with product carbon footprint information for materials supplied to Granules India.

Granules has implemented a robust Supplier Sustainability Program, engaging over 85% of its suppliers (by purchase spent) to align with shared sustainability goals. As part of this initiative, the suppliers have acknowledged the program and designated a Single Point of Contact (SPOC) to ensure effective coordination. To evaluate ESG maturity, a comprehensive supplier survey was conducted, assessing key areas such as policies, governance practices, sustainability targets, ongoing initiatives, certifications, and regulatory compliance. A substantial number of suppliers have completed the assessment, reflected strong participation and reinforced our commitment to building a responsible, transparent, and sustainable supply chain. So far, 82% of the suppliers have completed the survey, reinforcing our commitment to building a responsible and transparent supply chain.

The program further encourages suppliers to commit to environmental and climate-related disclosures, including reporting their greenhouse gas emissions and providing product-level carbon footprint data. It promotes the development of science-based targets validated by the Science Based Targets initiative (SBTi) and supports the transition to renewable electricity. Through these collaborative efforts, Granules aims to deepen climate accountability and foster sustainable practices throughout the value chain, amplifying our collective impact toward a low-carbon future.

### 2. Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If yes, provide details of the same.

Yes, Granules places a strong emphasis on ethical and lawful business conduct, which is a core value shared by our Board of Directors and Management. Our business conduct standards prioritize upholding ethical and legal norms while pursuing our financial objectives and business goals, ensuring unwavering honesty and integrity in all circumstances. Aligned with these principles, Granules' Board has implemented a Code of Conduct for Board & Senior Management.

This Code provides clear guidance to Directors and senior management personnel on maintaining high ethical and legal standards. It mandates professional conduct, courtesy, and respectfulness while also emphasizing the importance of identifying, mitigating, and preventing conflicts of interest.

Through these measures, Granules India ensures that its governance practices are robust, transparent, and committed to safeguarding the interests of all stakeholders, thereby reinforcing our commitment to ethical excellence and corporate integrity.

## PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

At Granules, we emphasize the significant role of integrating safety and resource efficiency into our research and manufacturing processes. This highlights the essential need for businesses to utilize their resources in a way that adds value while reducing negative impacts on the environment and society at every stage, from design to disposal.

### Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

|       | FY 2025-26 | FY 2024-25 | Details of improvements in environmental and social impact                                                                                                                                                                            |
|-------|------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R&D   | 100%       | 100%       | At Granules, we are investing in a green molecule platform to reimagine pharmaceutical manufacturing and complete supply chain decarbonization, including solving the scope 3 challenge for the pharma industry, NIPER collaboration. |
| CAPEX | 8.60%      | 8.80%      | Efforts have been focused on reducing non-renewable energy use and freshwater consumption through energy efficiency, water conservation projects, and technology upgrades in wastewater treatment.                                    |

2. **A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, Granules is committed to maintaining responsible procurement practices across its supply chain by implementing stringent protocols for vendor identification and approval. We ensure rigorous standards are met through periodic site audits, regulatory approval checks, and regular sample analyses to uphold the highest product quality. As part of our procurement process, suppliers and vendors undergo thorough evaluations based on material risk assessments, compliance with environmental regulations, labor laws, carbon footprint considerations, and health and safety parameters. Granules have established a Supplier Code of Conduct that articulates our vision and expectations from Manufacturers, Suppliers, Service Providers, Traders, Consultants, and Contractors (collectively referred to as "Suppliers"). Key elements of our Supplier Code of Conduct include:

- Ethical conduct and integrity in all business dealings.
- Compliance with human rights standards, ensuring the dignity and protection of employees.
- Adherence to all relevant environmental regulations and maintenance of necessary permits and licenses.
- Provision of a safe and conducive work environment with a Health and Safety Policy/Guideline that aligns with local and national regulations.
- Implementation of a management system to ensure compliance with laws and regulations, manage operational risks, and drive continuous improvement.

- B. If yes, what percentage of inputs were sourced sustainably?**

100% of Key Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs) Key Starting Materials (KSMs) are sourced sustainably.

All our Key Starting Materials (API, KSMs) vendors are Good Manufacturing Practices (GMP) compliant and adopt sustainable practices. As part of routine audits, we also rate them for sustainable practices, in addition to quality.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

| SL NO. | Product                        | Product Process to safely reclaim the product                                                                                                                             |
|--------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Plastics (including packaging) | Plastics (including packaging) are recycled and disposed of according to Central Government rules and the provisions of the Plastic Waste Management Rules.               |
| 2      | E-Waste                        | E-waste is disposed of through a registered recycler.                                                                                                                     |
| 3      | Hazardous Waste                | Hazardous waste is disposed of at a Treatment, storage, and disposal facility (TSDF) or authorized cement industries for further treatment and disposal or co-processing. |
| 4      | Other Waste                    | Bio-medical waste is disposed off through authorized common bio-medical waste facilities.                                                                                 |

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, we have received our EPR registration certificate on December 26, 2023, from Central Pollution Control Board (CPCB). Our Waste Management plan is in line with EPR requirements.

### Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details.**

The studies were performed in accordance with ISO 14040 and ISO 14044 for Life Cycle Assessment and, ISO 14067 for Product Carbon Foot printing. The assessments considered relevant life cycle stages within the defined system boundaries and utilized a combination of primary operational data and secondary life cycle inventory datasets from recognized databases.

The assessments help to quantify environmental impacts across the product life cycle, identify environmental hotspots, and support informed decision-making for sustainability improvement initiatives. Detailed technical reports have been prepared separately and are maintained by the Company for internal reference and stakeholder requirements.

| NIC Code | Name of Product /Service                            | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/ No) If yes, provide the web-link.                             |
|----------|-----------------------------------------------------|---------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| 21002    | Paracetamol API<br>Metformin HCl<br>Guaifenesin API | ≈65%                            | Cradle-to-Gate                                                           | Yes (Sustech Technocomm Pvt. Ltd.,)                       | Yes , <a href="https://granulesindia.com/sustainability/">https:// granulesindia.com/ sustainability/</a> |

Note: The percentage mentioned above indicates the PFI and FD stages of the Products (API) referenced above

**2. If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---------------------------|-----------------------------------|--------------|
| No ,Not Applicable        |                                   |              |

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

| Indicate input material | Recycled or re-used input material to total material |            |
|-------------------------|------------------------------------------------------|------------|
|                         | FY 2025-26                                           | FY 2024-25 |
| Not Applicable          |                                                      |            |

As a healthcare business, the safe usage and quality of our products are of the utmost priority. As per Good Manufacturing Practice (GMP) and as a responsible pharmaceutical manufacturer, we do not reuse any material/chemical for manufacturing. In certain parts of our operations, we recover spent solvents using a solvent recovery system and subsequently reuse them in our manufacturing process.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:

| Type of Waste                | FY 2025-26 |          |                                 | FY 2024-25 |          |                                 |
|------------------------------|------------|----------|---------------------------------|------------|----------|---------------------------------|
|                              | Re-Used    | Recycled | Safely Disposed (Metric Tonnes) | Re-Used    | Recycled | Safely Disposed (Metric Tonnes) |
| Plastics including packaging | NA         | NA       | NA                              | NA         | NA       | NA                              |
| E-waste                      | NA         | NA       | NA                              | NA         | NA       | NA                              |
| Hazardous waste              | NA         | NA       | NA                              | NA         | NA       | NA                              |
| Other waste- Paper waste     | NA         | NA       | NA                              | NA         | NA       | NA                              |

We do not reclaim our products and packaging material at the end of the life of products.

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

| Indicate product category                                                 | Reclaimed products and their packaging materials as % of total products sold in the respective category |
|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| No products or packaging materials were reclaimed in the reporting period |                                                                                                         |

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

At Granules, we respect and promote the health and well-being of all our employees, including those across our value chain.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Granules prioritizes employee well-being through a wide range of structured initiatives designed to support overall health and quality of life. The organisation ensures comprehensive coverage for its workforce through group medical insurance, ESI benefits, and a Group Personal Accident policy, which also includes maternity and paternity support.

Strategic partnerships with reputed healthcare providers such as AIG, Apollo, and Star Hospitals enable the delivery of expert-led health awareness programmes and facilitate access to professional medical consultations at concessional terms. The Company also conducts regular initiatives on mental wellness, ergonomics, and workplace health, including specialised programmes focused on women’s health, complemented by periodic free medical check-ups to strengthen preventive care practices.

Further enhancing its preventive healthcare approach, Granules has collaborated with Previa to implement structured pre-employment and annual health assessments. Comprehensive health camps covering key screenings; including vision, dental, and cardiac health are conducted periodically, alongside quarterly awareness drives to promote informed health choices. Sessions on yoga, mindfulness, and stress management are also organised to strengthen psychological well-being.

In addition, the Company is working on deploying a digital wellness platform to enable integrated health monitoring, offering features such as individual health scoring, data-driven insights, fitness recommendations, and personalised nutrition guidance.

To encourage active lifestyles, Granules regularly organises engagement initiatives such as yoga programmes, walking challenges, and step-based activities, fostering a culture that supports physical fitness, inclusivity, and overall employee well-being.

| % Of employees covered by      |           |                  |         |                    |         |                    |         |                    |         |                    |         |
|--------------------------------|-----------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|
| Category                       | Total (A) | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity benefits |         | Daycare facilities |         |
|                                |           | No. (B)          | % (B/A) | No. (C)            | % (C/A) | No. (D)            | % (D/A) | No. (E)            | % (E/A) | No. (F)            | % (F/A) |
| PERMANENT EMPLOYEES            |           |                  |         |                    |         |                    |         |                    |         |                    |         |
| Male                           | 3842      | 3842             | 100%    | 3842               | 100%    | NA                 | NA      | 3842               | 100%    | 3661               | 95.2%   |
| Female                         | 464       | 464              | 100%    | 464                | 100%    | 464                | 100%    | NA                 | NA      | 415                | 89.4%   |
| Total                          | 4306      | 4306             | 100%    | 4306               | 100%    | 464                | 100%    | 3842               | 100%    | 4076               | 94.6%   |
| OTHER THAN PERMANENT EMPLOYEES |           |                  |         |                    |         |                    |         |                    |         |                    |         |
| Male                           |           |                  |         |                    |         |                    |         |                    |         |                    |         |
| Female                         |           |                  |         |                    |         |                    |         |                    |         |                    |         |
| Total                          |           |                  |         |                    |         |                    |         |                    |         |                    |         |
| Not Applicable                 |           |                  |         |                    |         |                    |         |                    |         |                    |         |

b. Details of measures for the well-being of workers:

| % Of workers covered by      |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
|------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|
| Category                     | Total (A) | Health insurance                                                                                                                                                |         | Accident insurance |         | Maternity benefits |         | Paternity benefits |         | Daycare facilities |         |
|                              |           | No. (B)                                                                                                                                                         | % (B/A) | No. (C)            | % (C/A) | No. (D)            | % (D/A) | No. (E)            | % (E/A) | No. (F)            | % (F/A) |
| PERMANENT WORKERS            |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
| Male                         |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
| Female                       |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
| Total                        |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
| OTHER THAN PERMANENT WORKERS |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
| Male                         |           | All workers are covered under Employee State Insurance Act (ESI), Further benefits for workers were given depending on the specific policies of the contractor. |         |                    |         |                    |         |                    |         |                    |         |
| Female                       |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |
| Total                        |           |                                                                                                                                                                 |         |                    |         |                    |         |                    |         |                    |         |

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format –

|                                                                            | FY 2025-26 | FY 2024-25 |
|----------------------------------------------------------------------------|------------|------------|
| Cost incurred on wellbeing measures as a % of total revenue of the company | 0.36%      | 0.44%      |

Note: FY 24-25: INR 134.24 million was spent towards employee well-being during the reporting period, which includes expenditure on insurance premiums.

Note: FY 25-26: INR 126.24 million was spent towards employee well-being during the reporting period, which includes expenditure on insurance premiums.

2. Details of retirement benefits for the current and previous financial year.

| Benefits | FY 2025-26                                           |                                                  |                                                       | FY 2024-25                                           |                                                  |                                                       |
|----------|------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|
|          | No. of employees covered (as a % of total employees) | No. of workers covered (as a % of total workers) | Deducted & deposited with the authority (Yes/No/N.A.) | No. of employees covered (as a % of total employees) | No. of workers covered (as a % of total workers) | Deducted & deposited with the authority (Yes/No/N.A.) |
| PF       | 100%                                                 | 100%                                             | Yes                                                   | 100%                                                 | 100%                                             | Yes                                                   |
| Gratuity | 100%                                                 | 100%                                             | NA                                                    | 100%                                                 | 100%                                             | NA                                                    |
| ESI      | 12%                                                  | 99%                                              | Yes                                                   | 19%                                                  | 99%                                              | Yes                                                   |

### 3. Accessibility of workplaces

#### Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

We have provided lifts and battery-operated vehicles for movement in the plant premises to support people with any physical challenge. We are further evaluating all the possible ways employees can make the place friendly for differently abled people.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Granules is committed to providing equal employment opportunities and makes all employment decisions based on merit, with the objective of attracting and retaining the best talent for every role. The Company has established an internal Equal Opportunity Policy and reinforces its commitment through its Code of Conduct.

Granules strictly prohibits any form of unlawful discrimination on the basis of race, colour, creed, gender, age, nationality, marital status, national origin or ancestry, physical or mental disability, medical condition (including genetic characteristics), sexual orientation, or any other characteristic protected under applicable laws. This prohibition extends to perceived attributes or association with individuals possessing such characteristics.

The Company remains fully committed to compliance with all applicable laws and ensures a workplace free from discrimination. This commitment applies to all individuals associated with its operations and mandates that all employees, including supervisors and co-workers, uphold these principles.

Weblink: <https://granulesindia.com/wp-content/uploads/2022/03/COBC.pdf>

### 5. Return to work and retention rates of permanent employees that took parental leave.

| Gender | Permanent employees |                | Permanent Workers   |                |
|--------|---------------------|----------------|---------------------|----------------|
|        | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male   | 100%                | 87%            | NA                  | NA             |
| Female | 100%                | 100%           | NA                  | NA             |
| Total  | 100%                | 88%            | NA                  | NA             |

Note: In FY 25-26, a total of 178 male employees availed paternity leave, of which 23 employees left the organization by the end of the year. And 14 female employees took maternity leave, and all of them were retained. And 100% of both male (178) and female (23) employees who availed parental leave returned to work following their leave period.

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

|                                | Yes/No (If Yes, then give details of the mechanism in brief)                                                                                                                                                                                                                                                                                                 |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permanent Employees            | Yes, any employee who has a grievance shall initially inform his/her supervisor verbally. In case he/she is not satisfied with the resolution, they shall formally approach the Grievance Redressal Committee by a written application. There is an internal "Grievance redressal Policy" on the intranet which enunciates the detailed redressal mechanism. |
| Other than Permanent Employees | NA                                                                                                                                                                                                                                                                                                                                                           |
| Permanent Workers              | NA                                                                                                                                                                                                                                                                                                                                                           |
| Other than Permanent Workers   | Yes, any employee who has a grievance shall initially inform his/her supervisor verbally. In case he/she is not satisfied with the resolution, they shall formally approach the Grievance Redressal Committee by a written application. There is an internal "Grievance redressal Policy" on the intranet which enunciates the detailed redressal mechanism. |



## 7. Membership of employees in association(s) or unions recognized by the listed entity:

| Category                  | FY 2025-26                                                                                                                           |                                                                                                |         | FY 2024-25                                          |                                                                                                |         |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|-----------------------------------------------------|------------------------------------------------------------------------------------------------|---------|
|                           | Total employees/ workers in respective category (A)                                                                                  | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees/ workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| Total Permanent Employees | At Granules the Employees/ workers will not be restricted in joining the unions.<br>Currently, no unions are recognized by Granules. |                                                                                                |         |                                                     |                                                                                                |         |
| Male                      |                                                                                                                                      |                                                                                                |         |                                                     |                                                                                                |         |
| Female                    |                                                                                                                                      |                                                                                                |         |                                                     |                                                                                                |         |
| Total Permanent Workers   |                                                                                                                                      |                                                                                                |         |                                                     |                                                                                                |         |
| Male                      |                                                                                                                                      |                                                                                                |         |                                                     |                                                                                                |         |
| Female                    |                                                                                                                                      |                                                                                                |         |                                                     |                                                                                                |         |

## 8. Details of training given to employees and workers:

| Category  | FY 2025-26 |                                       |         |                      |         | FY 2024-25 |                                       |         |                      |         |
|-----------|------------|---------------------------------------|---------|----------------------|---------|------------|---------------------------------------|---------|----------------------|---------|
|           | Total (A)  | On health & safety/ wellness measures |         | On skill upgradation |         | Total (D)  | On health & safety/ wellness measures |         | On skill upgradation |         |
|           |            | No. (B)                               | % (B/A) | No. (C)              | % (C/A) |            | No. (E)                               | % (E/D) | No. (F)              | % (F/D) |
| EMPLOYEES |            |                                       |         |                      |         |            |                                       |         |                      |         |
| Male      | 3842       | 3842                                  | 100%    | 3465                 | 90%     | 3684       | 3684                                  | 100%    | 2986                 | 81%     |
| Female    | 464        | 464                                   | 100%    | 428                  | 92%     | 382        | 382                                   | 100%    | 331                  | 86%     |
| Total     | 4306       | 4306                                  | 100%    | 3893                 | 90%     | 4066       | 4066                                  | 100%    | 3317                 | 81%     |
| WORKERS   |            |                                       |         |                      |         |            |                                       |         |                      |         |
| Male      | 1760       | 1760                                  | 100%    | 1589                 | 90%     | 1699       | 1699                                  | 100%    | 180                  | 10.5 %  |
| Female    | 457        | 457                                   | 100%    | 423                  | 93%     | 401        | 401                                   | 100%    | 45                   | 11.2 %  |
| Total     | 2217       | 2217                                  | 100%    | 2012                 | 91%     | 2100       | 2100                                  | 100%    | 225                  | 10.7 %  |

## 9. Details of performance and career development reviews of employees and workers.

| Category          | FY 2025-26       |             |            | FY 2024-25       |             |            |
|-------------------|------------------|-------------|------------|------------------|-------------|------------|
|                   | Total (A)        | No. (B)     | % (B/A)    | Total (C)        | No. (D)     | % (D/C)    |
| <b>Employees*</b> |                  |             |            |                  |             |            |
| Male              | 3842             | 3296        | 86%        | 3684             | 3093        | 84%        |
| Female            | 464              | 310         | 67%        | 382              | 281         | 74%        |
| <b>Total</b>      | <b>4306</b>      | <b>3606</b> | <b>84%</b> | <b>4066</b>      | <b>3374</b> | <b>83%</b> |
| <b>WORKERS</b>    |                  |             |            |                  |             |            |
| Male              | Not Applicable** |             |            | Not Applicable** |             |            |
| Female            |                  |             |            |                  |             |            |
| <b>Total</b>      |                  |             |            |                  |             |            |

\*The Company considers employees joined till December of every year for the purpose of performance evaluation. Hence, the above data includes employees joined till December 2025.

\*\*There are no specific performance evaluations for workers. Every six months salaries would be revised based on Minimum Wages Act.

## 10. Health and Safety Management System

## a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Granules India Limited maintains a strong focus on upholding high standards of Environment, Health, and Safety (EHS) as a critical enabler of sustainable operations. Recognising that any shortcomings in EHS performance can result in regulatory non-compliance, reputational risks, and potential business disruptions, the Company continues to strengthen its systems and governance frameworks to safeguard long-term value creation.

During the year, the EHS policy was revised to reflect strengthened management commitment, supported by a structured implementation framework incorporating defined KPIs, targets, and corporate-level procedures covering critical areas such as process safety, contractor safety, electrical safety, mission safety, and rehabilitation and return-to-work protocols. A robust review and monitoring mechanism has also been instituted to assess the effectiveness of OHS standards and drive continuous improvement across all sites.

Our commitment is reinforced through an ISO 45001:2018 certified Occupational Health and Safety Management System, implemented across all our manufacturing and R&D locations at Gagillapur, Jeedimetla, Bonthapally, Pragati Nagar, Genome Valley & Visakhapatnam. Dedicated Occupational Health Centres (OHCs) at these sites support a safe and healthy work environment, led by specialized teams focused on continuously enhancing occupational health and safety practices.

To further support employee well-being, full-time doctors are available at each manufacturing location, supported by round-the-clock onsite nursing assistance to ensure timely medical care and emergency response.

Through these integrated measures, Granules reinforces its commitment to protecting workforce health and safety, ensuring environmental compliance, and promoting responsible and sustainable operations, thereby strengthening stakeholder trust and organisational resilience.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

- At Granules, Safety is our top priority. 100% of our employees and workers were given training in Health and Safety at the workplace.
- We have conducted Risk Assessments & HAZOP studies for new products and projects internally across the units to help us identify potential hazards and assess risks, allowing us to implement effective safety measures.
- Third-party experts assessed fire and electrical safety at all our units. These assessments ensure compliance with safety regulations and help us maintain safe working environments.
- Severity estimation of potential consequences for each undesired incident, considering mitigation safeguards and conditional factors.
- Process Hazard Analysis is conducted to identify and analyze potential causes and consequences of fires, explosions, toxic or flammable chemical releases, and major hazardous chemical spills.
- Risk Assessments are performed to identify workplace health and safety hazards and evaluate associated risks. Existing control measures are assessed for effectiveness and suitability.
- Fire safety management procedures are established across all workplaces to ensure preparedness and response capabilities.
- Regular safety inspections and audits are conducted to monitor compliance with system requirements. Any deviations identified are promptly addressed through corrective actions.
- Work permit systems are implemented to define conditions and procedures for the safe execution of work under controlled risk conditions.
- Conduct early-stage risk identification (HAZID) during conceptual planning, engineering design, and process development.
- Use structured risk assessment techniques like HIRA, JSA, HAZOP, FMEA for all operations, especially high-risk and non-routine tasks.
- Apply the Hierarchy of Controls, prioritizing robust engineering solutions for inherently safer operations.
- Integrate EHS requirements into design reviews, approvals, and Management of Change (MOC) processes.
- Verify and authorize implementation of required risk controls before
- Conduct systematic audits to evaluate the effectiveness of risk-control
- Use incident trends, audit findings, and near-miss data to continually improve risk assessments and engineering controls.

**c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Yes/No)**

Granules has implemented robust Standard Operating Procedures (SOPs) to enable employees and workers to effectively identify, report, and mitigate work-related hazards. A structured safety observation and interaction programme is in place to capture near misses, unsafe acts, and unsafe conditions, supported by safety dashboards that facilitate continuous monitoring and management of workplace risks.

Comprehensive occupational health and safety training is provided to all employees and workers, covering hazard identification, risk assessment methodologies, and appropriate mitigation measures. These programmes ensure a strong understanding of workplace risks and reinforce proactive safety practices.

Emergency preparedness is strengthened through regular evacuation drills, where employees are trained in the use of critical safety equipment, including fire hydrants, firefighting systems, spill and leak control mechanisms, and alarm systems. These initiatives equip employees with the knowledge and confidence to report hazards promptly and respond effectively to potential emergencies.

Granules also ensures active integration of contractors into EHS communication frameworks, including safety meetings, awareness programmes, and training initiatives. EHS awareness is further reinforced through the use of visual boards, digital displays, posters, and video-based communication across facilities. The Company fosters a culture of openness by encouraging employees and contractors to report concerns and suggest improvements without fear of retaliation, thereby strengthening overall safety governance and continuous improvement.

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Granules extends non-occupational healthcare support to its employees through a range of medical services. The Company provides comprehensive group medical insurance coverage for employees and their dependents, ensuring access to quality healthcare. Contract employees are covered under the Employee State Insurance (ESI) scheme, enabling access to statutory health benefits.

**11. Details of safety-related incidents:**

| Safety Incident/Number                                                        | Category  | FY 2025-26 | FY 2024-25 |
|-------------------------------------------------------------------------------|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked) | Employees | 0          | 0.11       |
|                                                                               | Workers   | 0          | 0.14       |
| Total recordable work-related injuries*                                       | Employees | 6          | 6          |
|                                                                               | Workers   | 3          | 20         |
| No. of fatalities                                                             | Employees | 0          | 0          |
|                                                                               | Workers   | 0          | 0          |
| High-consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0          | 0          |
|                                                                               | Workers   | 0          | 0          |

\*Medical Treatment cases and Reportable Incidents

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Granules is committed to advancing sustainable development while upholding high standards of health and safety across its operations. The Company conducts its activities in a manner that minimizes any adverse impact on people, the environment, and surrounding communities, while ensuring full compliance with all applicable environmental, health, and safety regulations.

The EHS management system at Granules is aligned with globally recognised frameworks, including ISO 45001:2018, OSHA standards, the Factories Act, and relevant state-level regulatory requirements. These principles are embedded across operations to ensure a structured and consistent approach to managing health and safety risks.

The internal EHS policy emphasizes the provision of a safe and secure working environment for all employees and contractors. Regular internal and external audits are undertaken to evaluate the effectiveness of safety practices and their alignment with the EHS framework and ISO 45001:2018 standards. These assessments help identify critical areas requiring corrective actions and drive the implementation of appropriate mitigation measures.

Additionally, employees are provided with regular training to enhance awareness of health and safety requirements, enabling them to identify and report unsafe conditions, behaviours, or incidents promptly to the designated authorities within the organization.

- At Granules, Safety is our top priority. 100% of our employees and workers were given training in Health and Safety at the workplace
- We have conducted Risk Assessments and HAZOP studies internally across the units to help us identify potential hazards and assess risks, allowing us to implement effective safety measures.
- Third-party experts conducted assessments on fire and electrical safety at all our units. These assessments ensure compliance with safety regulations and help us maintain safe working environments.
- We conducted Industrial Hygiene assessments to evaluate workplace conditions and potential health hazards at our Gagillapur unit, ensuring our employees work in safe and healthy environments.
- During the year, the EHS policy was revised to reflect strengthened management commitment, supported by a structured implementation framework incorporating defined KPIs, targets, and corporate-level procedures covering critical areas such as process safety, contractor safety, electrical safety, mission safety, and rehabilitation and return-to-work protocols.
- A robust review and monitoring mechanism has also been instituted to assess the effectiveness of OHS standards and drive continuous improvement across all sites.

### 13. Number of complaints on working conditions and health and safety made by employees and workers.

Employees and workers are encouraged to proactively report any concerns related to Unsafe Conditions, Unsafe Acts, Near Miss incidents, and provide suggestions for improvement through established communication channels. These include Safety Committees, Suggestion Schemes (SS), Townhall meetings, and other relevant forums available within the organization. This approach promotes a transparent reporting culture and enables timely identification and resolution of workplace health and safety issues.

All reported concerns related to Unsafe Conditions, Unsafe Acts, Near Miss incidents, and suggestions are promptly reviewed and addressed through a structured resolution process. The concerned teams evaluate the issue, identify root causes, and implement appropriate corrective and preventive actions within defined timelines, ensuring closure and feedback to the reporter wherever applicable.

| Category                               | FY 2025-26            |                                           |                                                                  | FY 2024-25            |                                           |                                                                  |
|----------------------------------------|-----------------------|-------------------------------------------|------------------------------------------------------------------|-----------------------|-------------------------------------------|------------------------------------------------------------------|
|                                        | Filed during the year | Pending resolution at the end of the year | Remarks                                                          | Filed during the year | Pending resolution at the end of the year | Remarks                                                          |
| Working Conditions and Health & Safety | 27,701                | Nil                                       | All complaints are resolved and closed within defined timelines. | 24,780                | Nil                                       | All complaints are resolved and closed within defined timelines. |

The above data includes complaints related to working conditions, covering key aspects such as workplace environment (cleanliness, lighting, ventilation, and noise levels), health and safety (availability of PPE, safe equipment, and hazard control), basic facilities (drinking water, sanitation, rest areas, and canteen), working hours and shift conditions (overtime, breaks, and scheduling), ergonomics (proper seating and work setup), and overall employee welfare and comfort.

### 14. Assessments for the year

|                                                   | % Of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Health and safety practices<br>Working Conditions | 100% Statutory bodies, external customer audits, certification agencies and regulatory authorities    |

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

Granules places a strong emphasis on safeguarding its workforce through continuous Hazard and Operability (HAZOP) studies, which play a critical role in identifying potential process risks and strengthening safety controls across operations. Insights from these assessments are systematically addressed through timely corrective actions, while significant risks identified through workplace evaluations and safety assessments are proactively managed to enhance overall safety performance.

- Structured Safety Observation Interactions (SOIs) are implemented across sites to identify unsafe acts and conditions, with employees actively encouraged to report safety concerns and contribute to a safe working environment.
- Incident investigations are rigorously analysed to identify root causes, enabling the implementation of corrective measures and the prevention of recurrence.
- All manufacturing locations track incident sharing and safety adherence. We conduct Risk assessments and periodic reviews, and based on investigation, Corrective and Preventive Actions (CAPAs) that are generated are horizontally deployed across groups.

### Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

|           |                                                                                                                                                                                                     |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employees | Yes, the Company provides Group term life Insurance for all employees and dependents and Group Personal Accident Policy and Future Service liability.                                               |
| Workers   | Yes, Contract Workers are provided with health benefits from Employees state insurance (ESI) that covers hospitalization costs in the event of an accident or other unforeseen medical emergencies. |

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

At Granules, we conduct our due diligence process while onboarding a value chain partner to ensure they comply with the norms and regulations as per the law. We always adhere to regulatory and applicable compliance with numerous laws. We ensure that our value chain partners also follow relevant compliance, which is an essential part of the supplier code.

**3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

|           | Total no. of affected employees/ workers |            | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |            |
|-----------|------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------|------------|
|           | FY 2025-26                               | FY 2024-25 | FY 2025-26                                                                                                                                        | FY 2024-25 |
| Employees | 0                                        | 0          | 0                                                                                                                                                 | 0          |
| Workers   | 0                                        | 0          | 0                                                                                                                                                 | 0          |

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, Employees who are due for retirement will be intimated six months before the date of retirement to enable them to complete all formalities relating to the retirement and terminal benefits. On the last working day, a gift worth three months' gross salary will be handed over to the retiring employee. The same severance is applicable in case of termination, too.

**5. Details on assessment of value chain partners:**

Suppliers shall provide a safe and conducive work environment to their employees and are expected to have the Health and Safety Policy/Guideline for their organizations to define, implement and follow Good Health and Safety Practices in compliance with the applicable local and national regulations. Suppliers shall identify and protect their employees from any physical, chemical, and biological hazards as well as from risks associated with any infrastructures.

| SL NO.                                          | % of value chain partners (by value of business done with such partners) that were assessed |
|-------------------------------------------------|---------------------------------------------------------------------------------------------|
| Health & Safety practices<br>Working Conditions | 90% of Value chain partners                                                                 |

100% of Key Active Pharmaceutical Ingredients (APIs), Key Starting Materials (KSMs), Excipients, Raw Materials, Intermediates, Packing Materials suppliers (Covering about 90% purchase value) are assessed at regularly defined intervals or as and when required) as part of Vendor management procedure (GIL-CQA-008) covering various CSR aspects like CSR policies

and committees, Wages and payrolls, Statutory benefits like PF, ESI and Gratuity, Health and Safety measures, Emergency preparedness and response plans, Chemical Storage measures, Waste Management and Waste water Management.

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

The Company works with multiple partners and suppliers to deliver high-quality products and services to its customers. To ensure compliance, it conducts stringent audits and conducts awareness campaigns to its partners regarding corrective actions.

No corrective action plan has been necessitated on the above-mentioned parameters.

## **PRINCIPLE 4 BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

At Granules, we respect and uphold the interests of all our stakeholders and engage with them frequently.

### **Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Granules identifies key stakeholder groups through a systematic process that involves assessing and understanding the individuals, organizations, or entities that significantly impact or are impacted by our operations and decisions. Our approach includes:

- **Stakeholder Mapping:** We conduct stakeholder mapping exercises to identify and prioritize groups based on their influence, interests, and involvement with our business. This helps us understand our key stakeholders and how they are connected to our activities.
- **Engagement and Feedback:** We engage directly with stakeholders through various channels such as surveys, consultations, and feedback mechanisms. This interaction allows us to gather insights into their expectations, concerns, and perspectives.
- **Impact Assessment:** We assess the potential impact of our operations on different stakeholder groups and vice versa. This helps us prioritize stakeholders who may be significantly affected by our decisions or have a critical role in our success.
- **Continuous Review:** Our stakeholder identification process is dynamic and ongoing. We regularly review and update our list of stakeholders to reflect changes in our business environment, stakeholder interests, and emerging issues.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| <b>Stakeholder Group</b> | <b>Whether identified As Vulnerable &amp; Marginalized Group (Yes/No)</b> | <b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others</b>                                                                                                                               | <b>Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)</b> | <b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>                                                                                                                                                                                                                                                       |
|--------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investors/ Shareholders  | No                                                                        | <ul style="list-style-type: none"> <li>Investor and analyst meetings</li> <li>Presentations at industry forums</li> <li>Circulation of the Annual Report and Sustainability Report</li> <li>Communicating Financial Results to Shareholders</li> <li>AGM</li> </ul> | Annually/ Half yearly/ Quarterly/ Need-based                                                | <p>Our investors and shareholders provide essential financial resources, which are crucial in supporting Granules' sustainable business growth.</p> <p>Key topics of interest for our investors and shareholders include our economic performance, sustainability reporting, disclosures, and transparent disclosure of our overall performance metrics.</p> |



| Stakeholder Group               | Whether identified As Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others                                                                                        | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers                       | No                                                             | Customer Meets and Feedback                                                                                                                                                                                           | Half-yearly, and need-based                                                          | Our customers provide valuable input that helps us understand their requirements. This enables us to strengthen our product portfolio and serve them better. Key topics of interest: <ul style="list-style-type: none"> <li>Affordable medicines</li> <li>Access to healthcare</li> <li>Emergency medicines</li> </ul>                                                                                                                                                 |
| Suppliers and business partners | No                                                             | <ul style="list-style-type: none"> <li>Supplier Meets Visits</li> <li>Supplier audit Facility visits</li> <li>Strategic business partner training and development</li> <li>Supplier Sustainability Program</li> </ul> | Event-based and need-based                                                           | We depend on our suppliers and business partners for critical business input. We must understand their challenges and expectations to ensure business continuity and encourage sustainable business practices. Key topics of interest: <ul style="list-style-type: none"> <li>Business ethics and transparency</li> <li>Status of compliance</li> <li>Training and development of partners and suppliers</li> <li>The environmental footprint of operations</li> </ul> |
| Employees                       | No                                                             | <ul style="list-style-type: none"> <li>Monthly and quarterly in-house publications</li> <li>Quarterly communication by the Senior Leadership team</li> <li>HR Communications</li> <li>Engagement Programs</li> </ul>  | Regular and need-based                                                               | We believe that our employees' collective efforts and passion determine our productivity and profitability. We are committed to meeting their aspirations and ensuring satisfaction and growth. Key topics of interest: <ul style="list-style-type: none"> <li>Career planning and skill development</li> <li>Market-based compensation, benefits, and amenities</li> <li>Employee welfare programs</li> </ul>                                                         |

| Stakeholder Group                              | Whether identified As Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others                                | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Workers                                        | No                                                             | <ul style="list-style-type: none"> <li>• Daily/Monthly and quarterly in-house Publications</li> <li>• HR Communications</li> <li>• Safety Programs</li> </ul> | Regular and need-based                                                               | <p>We are committed to Health and well-being of our Workers. Key topics of interest</p> <ul style="list-style-type: none"> <li>• Occupational health and safety</li> <li>• Safety Awareness</li> <li>• Welfare programs</li> </ul>                                                                                                                                                                                                                        |
| Communities and non-governmental organizations | Yes                                                            | Interactions through CSR initiatives                                                                                                                          | Continuous and need-based                                                            | <p>Connecting with local communities gives us a better understanding of their needs. It helps us contribute meaningfully to sustainable community development. Our partnerships with NGOs and other organizations facilitate our efforts towards creating shared value. Key topics of interest</p> <ul style="list-style-type: none"> <li>• Infrastructure development</li> <li>• Education and healthcare</li> <li>• Environmental protection</li> </ul> |

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board?

As a global pharmaceutical company with diverse stakeholders spread across geographies, we consistently engage with our stakeholders to explore opportunities for collaboration to enhance our core capabilities and create shared value. Feedback from such engagements is shared with the Board on a periodic basis.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, The Company has engaged in materiality assessment to gather opinions and insights from its stakeholders to understand their expectations, concerns, and interests. This includes assessing numerous potential environmental, social, and governance issues and risk factors that may impact our operations. The inputs of stakeholders were used to determine topics that are material to the Company. The outcome of that materiality exercise would be translated into an Integrated ESG Strategy. This strategy framework helps the Company in framing specific sustainability focus, pillars, goals and targets. Apart from this recent exercise, we believe in consultations with our stakeholders on sustainability to implement our major initiatives.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Granules is committed to engaging with and addressing the concerns of vulnerable and marginalized stakeholder groups as part of our Corporate Social Responsibility (CSR) initiatives. We actively collaborate with local communities, NGOs, and government bodies to understand and respond to their needs effectively. Our actions include various outreach programs focusing on education, healthcare, and skill development to empower marginalized groups.

We also prioritize inclusive practices in our employment and procurement processes, promoting diversity and equitable opportunities. Granules India Limited has initiated impactful CSR efforts on skill development and community health. Through our partnership with Swarna Bharat Trust, we launched Pharma Pathshala, offering students skill development programs and employment opportunities. Participants engage in the "Earn & Learn" program, gaining technical skills through various training initiatives. They receive on-the-job training and opportunities for higher education under the "Self-Managed Team" framework, enhancing their employability in the pharmaceutical sector.

We prioritize community health by supporting and overseeing a public health clinic in Gagillapur Village near our manufacturing facility in Hyderabad. The clinic is staffed by a qualified medical doctor and paramedic and provides essential primary healthcare services, ensuring that local residents have access to reliable healthcare close to home.

## PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

At Granules, we uphold the principles of dignity, freedom, and fairness in the workplace, ensuring every employee is respected and valued. We are committed to creating an inclusive environment where all team members can work without discrimination or bias.

### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

| Category               | FY 2025-26  |                                       |             | FY 2024-25  |                                        |             |
|------------------------|-------------|---------------------------------------|-------------|-------------|----------------------------------------|-------------|
|                        | Total (A)   | No. of employees /workers covered (B) | % (B/A)     | Total (C)   | No. of employees / workers covered (D) | % (D/C)     |
| <b>Employees</b>       |             |                                       |             |             |                                        |             |
| Permanent              | 4306        | 4306                                  | 100%        | 4066        | 4066                                   | 100%        |
| Other than Permanent   | NA          | NA                                    | NA          | NA          | NA                                     | NA          |
| <b>Total employees</b> | <b>4306</b> | <b>4306</b>                           | <b>100%</b> | <b>4066</b> | <b>4066</b>                            | <b>100%</b> |
| <b>Workers</b>         |             |                                       |             |             |                                        |             |
| Permanent              | NA          | NA                                    | NA          | NA          | NA                                     | NA          |
| Other than Permanent   | 2217        | 2217                                  | 100%        | 2100        | 2100                                   | 100%        |
| <b>Total workers</b>   | <b>2217</b> | <b>2217</b>                           | <b>100%</b> | <b>2100</b> | <b>2100</b>                            | <b>100%</b> |

#### 2. Details of minimum wages paid to employees and workers:

| Category             | FY 2025-26 |                       |         |                        |         | FY 2024-25 |                       |         |                        |         |
|----------------------|------------|-----------------------|---------|------------------------|---------|------------|-----------------------|---------|------------------------|---------|
|                      | Total (A)  | Equal to minimum wage |         | More than minimum wage |         | Total (D)  | Equal to minimum wage |         | More than minimum wage |         |
|                      |            | No. (B)               | % (B/A) | No. (C)                | % (C/A) |            | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| EMPLOYEES            |            |                       |         |                        |         |            |                       |         |                        |         |
| Permanent            | 4306       | 0                     | 0%      | 4306                   | 100%    | 4066       | 0                     | 0%      | 4066                   | 100%    |
| Male                 | 3842       | 0                     | 0%      | 3842                   | 100%    | 3684       | 0                     | 0%      | 3684                   | 100%    |
| Female               | 464        | 0                     | 0%      | 464                    | 100%    | 382        | 0                     | 0%      | 382                    | 100%    |
| Other than Permanent | NA         | NA                    | NA      | NA                     | NA      | NA         | NA                    | NA      | NA                     | NA      |
| Male                 | NA         | NA                    | NA      | NA                     | NA      | NA         | NA                    | NA      | NA                     | NA      |
| Female               | NA         | NA                    | NA      | NA                     | NA      | NA         | NA                    | NA      | NA                     | NA      |

| Category             | FY 2025-26 |                       |         |                        |         | FY 2024-25 |                       |         |                        |         |
|----------------------|------------|-----------------------|---------|------------------------|---------|------------|-----------------------|---------|------------------------|---------|
|                      | Total (A)  | Equal to minimum wage |         | More than minimum wage |         | Total (D)  | Equal to minimum wage |         | More than minimum wage |         |
|                      |            | No. (B)               | % (B/A) | No. (C)                | % (C/A) |            | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| WORKERS              |            |                       |         |                        |         |            |                       |         |                        |         |
| Permanent            | NA         | NA                    | NA      | NA                     | NA      | NA         | NA                    | NA      | NA                     | NA      |
| Male                 | NA         | NA                    | NA      | NA                     | NA      | NA         | NA                    | NA      | NA                     | NA      |
| Female               | NA         | NA                    | NA      | NA                     | NA      | NA         | NA                    | NA      | NA                     | NA      |
| Other than Permanent | 2217       | 2180                  | 98%     | 37                     | 2%      | 2100       | 2050                  | 98%     | 50                     | 2%      |
| Male                 | 1760       | 1732                  | 98%     | 28                     | 2%      | 1699       | 1660                  | 98%     | 39                     | 2%      |
| Female               | 457        | 448                   | 98%     | 9                      | 2%      | 401        | 390                   | 97%     | 11                     | 3%      |

### 3. Details of remuneration/salary/wages:

#### a. Median remuneration / wages:

|                                | Male   |                                                            | Female |                                                            |
|--------------------------------|--------|------------------------------------------------------------|--------|------------------------------------------------------------|
|                                | Number | Median remuneration/ salary/wages of respective category   | Number | Median remuneration/ salary/wages of respective category   |
| Board of Directors (BoD)*      | 9      | Refer "Annexure VI to board's report" for BOD Remuneration | 3      | Refer "Annexure VI to board's report" for BOD Remuneration |
| KMP (other than BoD)           | 1      | Refer "Annexure VI to board's report" for KMP Remuneration | 1      | Refer "Annexure VI to board's report" for KMP Remuneration |
| Employees other than BOD & KMP | 3836   | ₹ 0.559 Million Per Annum                                  | 461    | ₹ 0.383 Million Per Annum                                  |
| Workers                        |        | NA                                                         |        |                                                            |

\*Dr. Kandiraju Venkata Sitaram Rao ceased to be Joint Managing Director & CEO of the Company with effect from August 01, 2025.

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

|                                                 | FY 2025-26 | FY 2024-25 |
|-------------------------------------------------|------------|------------|
| Gross wages paid to females as % of total wages | 6.25       | 6.30       |

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Granules maintains a zero-tolerance policy towards non-compliant behaviour, and we are dedicated to addressing any concerns or issues related to violations of the Code of Conduct. As a standard practice, we encourage stakeholders to discuss, or report concerns to their managers. However, if any individual is uncomfortable reporting a potential violation to their supervisor, they are encouraged to raise their concerns with the Head of Department, Unit HR Manager, or Compliance Officer. This approach ensures that all concerns are handled promptly and following our commitment to ethical conduct and accountability.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues?

Granules has established robust internal mechanisms to effectively address grievances related to human rights issues. Employees and stakeholders are encouraged to report any concerns regarding human rights violations through multiple channels, including direct communication with their managers, the Head of the Department, the Unit HR Manager, or the Compliance Officer.

|                     |                                                                                                                                                                                                                                                                                                        |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Raising Concern     | As a standard practice, we encourage individuals to discuss or report any concerns regarding potential violations with their manager. If someone is uncomfortable reporting to their supervisor, they can raise their concern with the Head of the Department, Unit HR Manager, or Compliance Officer. |
| Reporting Violation | Employees are encouraged to promptly report any potential or actual violations of laws, company policies, or the Code of Conduct to their Manager/Supervisor, Unit HR, CFO, CHRO, or Compliance Officer.                                                                                               |
| Investigation       | The Code of Business Conduct Committee will promptly and thoroughly investigate every concern and report of violation as per applicable law and procedures.                                                                                                                                            |

|                     |                                                                                                                                                                                                                                           |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Disciplinary Action | Based on the nature and particulars of the violation, the investigation committee recommends corrective and preventive action, including disciplinary action.                                                                             |
| No Retaliation      | We strictly prohibit retaliation against individuals who report alleged violations in good faith. Our Policies ensures that employees can raise concerns without fear of reprisal, fostering a culture of transparency and accountability |

Upon receiving a grievance, Granules follows structured procedures outlined in our policies, ensuring confidentiality and sensitivity throughout the investigation. We prioritize prompt and impartial handling of grievances to uphold our commitment to ethical conduct and respect for human rights. Our goal is to resolve issues swiftly and appropriately, fostering a workplace environment where human rights are safeguarded and respected.

At Granules, we follow a staged process in addressing human rights issues:

#### Whistleblower Policy:

We have devised an effective whistleblower mechanism enabling employees to freely communicate their concerns about illegal or unethical practices. The Company has also established a vigil mechanism for employees to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The prime objective of this policy is to provide employees and Directors an avenue to raise concerns in line with the commitment of Granules to the highest possible standards of ethical, moral, and legal business conduct and its commitment to open, fearless, genuine concern communication. The pre-eminent intention of this policy is to provide necessary safeguards for the protection of employees from reprisals or victimization for whistleblowing in good faith.

#### Prevention of Sexual Harassment Policy (POSH):

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and rules made thereunder, our Company has formed an Internal Complaints Committee (ICC) for its workplaces to address complaints about sexual harassment under the POSH Act. We have a detailed policy for preventing sexual harassment at the workplace, which ensures a free and fair inquiry process with clear timelines for resolution.

#### 6. Number of complaints on the following made by employees and workers:

| Category                       | FY 2025-26            |                                       |         | FY 2024-25            |                                       |         |
|--------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment              | 2                     | 0                                     | Closed  | 1                     | 0                                     | Closed  |
| Discrimination at workplace    | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Child Labor                    | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Forced Labor/Involuntary Labor | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Wages                          | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Other issues                   | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

#### 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|                                                                                                                                     | FY 2025-26 | FY 2024-25 |
|-------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 2          | 1          |
| Complaints on POSH as a % of female employees/workers                                                                               | 0.43%      | 0.26%      |
| Complaints on POSH upheld                                                                                                           | 0          | 0          |

#### 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Granules is committed to maintaining a workplace free from harassment, including sexual harassment, with zero tolerance for such behaviour. We encourage reporting of any harassment concerns and promptly address complaints through our established procedures outlined in our standing orders. Our policies, including the Code of Conduct and Prevention of Sexual Harassment (POSH) policies, are in place to prevent and resolve such incidents effectively.

Reports of violations must be made in good faith. Regardless of the interpretation of facts, our commitment is to treat all reports fairly. However, filing a false report with malicious intent violates our Code of Conduct. Each individual at Granules plays a vital role in upholding the standards outlined in our Code of Conduct.

To enhance transparency and confidentiality, we have established an "Anonymous Reporting" channel that employees can use to report violations confidentially and/or anonymously. Confidentiality is strictly maintained, and information is shared only on a need-to-know basis to conduct a thorough review.

Granules strictly prohibit any form of retaliation against individuals who make reports in good faith or cooperate in investigating such reports. We are dedicated to creating a supportive environment where all employees feel safe, respected, and empowered to raise concerns without fear of reprisal.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Granules has integrated compliance with human rights standards into its standard terms and conditions for supplier agreements and contracts. This commitment is also articulated in Granules' Supplier Code of Conduct, which mandates that suppliers adhere to applicable laws, labor standards, and environmental regulations and uphold principles of ethics and integrity in their operations. This comprehensive framework ensures that all parties involved in Granules' supply chain are aligned with ethical practices and responsible conduct, thereby promoting a fair and respectful business environment across our operations.

**10. Assessments for the year:**

|                                 | <b>% of offices that were assessed (by entity or statutory authorities or third parties)</b>                                                                                                                                                |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Child Labor                     |                                                                                                                                                                                                                                             |
| Forced Labor /Involuntary Labor | 100% of plants and offices are assessed through SMETA (Sedex Members Ethical Trade) Audits, external customer audits as per Pharmaceutical Supply Chain Initiative (PSCI) principles and Statutory authorities, and certification agencies. |
| Sexual Harassment               |                                                                                                                                                                                                                                             |
| Discrimination at workplace     |                                                                                                                                                                                                                                             |
| Wages                           |                                                                                                                                                                                                                                             |

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

No critical concerns have arisen from our external human rights assessment. Our ongoing commitment to ethical conduct and adherence to human rights principles ensures that we maintain a proactive stance in preventing issues before they arise. We continue to monitor our practices closely to uphold a respectful and responsible workplace environment consistent with our organizational values and legal obligations.

**Leadership Indicators**

**1. Details of a business process being modified/introduced because of addressing human rights grievances/complaints.**

At Granules, there have been no instances of human rights violations recorded, so no specific amendments to our current processes or policies is implemented.

We remain committed to upholding rigorous standards of ethical conduct and compliance with human rights principles across all operations. Should any concerns arise, our established protocols ensure prompt investigation and appropriate action following legal and ethical guidelines, reinforcing our dedication to maintaining a respectful and responsible workplace environment.

**2. Details of the scope and coverage of any Human rights due diligence conducted**

All our policies are defined and designed to protect the value of human rights. In the reporting period, No such due diligence was either warranted or conducted but are covered as part of PSCI audits.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, as per the requirements of the Rights of Persons with Disabilities, our Company's manufacturing premises and offices have infrastructure for differently abled visitors.



## 4. Details on assessment of value chain partners:

|                                  | % Of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---------------------------------------------------------------------------------------------|
| Child Labor                      | 90% Value Chain Partners                                                                    |
| Forced Labor / Involuntary Labor |                                                                                             |
| Sexual Harassment                |                                                                                             |
| Discrimination at workplace      |                                                                                             |
| Wages                            |                                                                                             |

## 5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

At present, no concerns have been raised. In case it arises, we undertake appropriate improvement measures and corrective actions and keep necessary checks and balances in place to address significant risks/concerns.

## PRINCIPLE 6 BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

We at Granules underscore the interconnected nature of environmental concerns at local, regional, and global levels. We conduct assessments of the environmental impacts of our products and operations, taking measures to minimize and mitigate effects.

### Essential Indicators

## 1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

| Parameter                                                                         | Unit                                                          | FY 2025-26    | FY 2024-25    |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------|---------------|---------------|
| <b>From renewable sources</b>                                                     |                                                               |               |               |
| Total electricity consumption (A)                                                 | TJ                                                            | 318.56        | 204.49        |
| Total fuel consumption (B)                                                        | TJ                                                            | 47.74         | 8.75          |
| Energy consumption through other sources (C)                                      | TJ                                                            | -             | -             |
| <b>Total energy consumed from renewable sources (A+B+C)</b>                       | <b>TJ</b>                                                     | <b>366.30</b> | <b>213.24</b> |
| <b>From non-renewable sources</b>                                                 |                                                               |               |               |
| Total electricity consumption (D)                                                 | TJ                                                            | 6.52          | 93.36         |
| Total fuel consumption (E)                                                        | TJ                                                            | 617.28        | 574.48        |
| Energy consumption through other sources (F)                                      | TJ                                                            | -             | -             |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>                   | <b>TJ</b>                                                     | <b>623.8</b>  | <b>667.84</b> |
| <b>Total energy consumed (A+B+C+D+E+F)</b>                                        | <b>TJ</b>                                                     | <b>990.10</b> | <b>881.18</b> |
| Energy intensity per rupee of turnover                                            | TJ/Million Rupees                                             | 0.0285        | 0.0291        |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) | TJ/ Million Rupees adjusted for Purchasing Power Parity (PPP) | 0.00694       | 0.00770       |
| Energy intensity in terms of physical output                                      | TJ/Tons of Production                                         | 0.0172        | 0.0176        |

## Note:

GHG emission factors, energy conversion factors, and density values (for liquid fuels) for coal, HSD, biofuel, furnace oil, and petrol are sourced from the **DEFRA GHG Emission and Conversion Factors 2025**.

Emission Factors for Gases /Refrigerants sourced from **IPCC-AR6** WGI Report & **EPA 2025 GHG** Emissions Factors Hub

Emission factors for grid Energy considered from Central Electricity Authority i.e. FY 2023 (0.81 tCO<sub>2</sub>/MWh), FY 2024 (0.716 tCO<sub>2</sub>/MWh), **FY 2025 (0.727 tCO<sub>2</sub>/MWh)** & FY 2026 (0.710 tCO<sub>2</sub>/MWh).

Calculated PPP (4.10534) based on 2025 data using a conversion factor of 22.4 INR per international dollar as of April 2024, reflecting the purchasing power of 1 USD in the U.S. (Source: CII-ASSOCHAM-FICCI, BRSS Core). The average INR to USD exchange rate for FY 2025-26, as per RBI, is 91.9596.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency. (Y/N)**  
**If yes, the name of the external agency.**

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

None of our sites/facilities are identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India, Therefore, we do not undertake any activity related to PAT Scheme.

3. Provide details of the following disclosures related to water:

| Parameter                                                                                                                                                    | Unit                                                         | FY 2025-26      | FY 2024-25      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-----------------|-----------------|
| <b>Water withdrawal by source</b>                                                                                                                            |                                                              |                 |                 |
| i. Surface water                                                                                                                                             | KL                                                           | 0               | 0               |
| ii. Ground Water                                                                                                                                             | KL                                                           | 0               | 0               |
| iii. Third Party Water                                                                                                                                       | KL                                                           | 3,93,791        | 3,56,980        |
| iv. Seawater/ Desalinated Water                                                                                                                              | KL                                                           | 0               | 0               |
| v. Others:                                                                                                                                                   | KL                                                           | 4517            | 2169            |
| <b>Total volume of water withdrawal (in kilolitres)</b>                                                                                                      | KL                                                           | <b>3,98,308</b> | <b>3,59,149</b> |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                     | KL                                                           | <b>2,39,951</b> | <b>2,16,823</b> |
| <b>Water Consumption intensity per rupee of turnover</b>                                                                                                     | KL/Million Rupee                                             | 6.91            | 7.16            |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)</b> | KL/Million Rupees adjusted for Purchasing Power Parity (PPP) | 1.68            | 1.90            |
| <b>Water intensity in terms of physical output</b>                                                                                                           | Kl/Tons of Production                                        | 4.16            | 4.33            |

Note: Water withdrawal under 'Other Sources' includes water consumption of 1,457 KL from rainwater harvesting and 3,060 KL of grey water (from CETP-JETL) at the Gagillapur unit

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

4. Provide the following details related to water discharged:

| Parameter                                                                    | FY 2025-26       | FY 2024-25       |
|------------------------------------------------------------------------------|------------------|------------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |                  |                  |
| i. To Surface water                                                          |                  |                  |
| - No treatment                                                               | -                | -                |
| - With treatment – please specify level of treatment                         | -                | -                |
| ii. To Groundwater                                                           |                  |                  |
| - No treatment                                                               | -                | -                |
| - With treatment – please specify level of treatment                         | -                | -                |
| iii. To Seawater                                                             |                  |                  |
| - No treatment                                                               | -                | -                |
| - With treatment – please specify level of treatment                         | -                | -                |
| iv. Sent to third parties                                                    |                  |                  |
| - No treatment                                                               | -                | -                |
| - With treatment – please specify level of treatment                         | 94,970 KL        | 78,968 KL        |
| v. Others                                                                    |                  |                  |
| - No treatment                                                               | -                | -                |
| - With treatment – please specify level of treatment                         | -                | -                |
| <b>Total water discharged (in kilolitres)</b>                                | <b>94,970 KL</b> | <b>78,968 KL</b> |

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We maintain Zero Liquid Discharge Systems and Effluent Treatment Plants with RO Recovery Systems to ensure that the effluents generated are treated to minimize the environmental impact and reuse resources wherever possible. The treated water is suitably recycled back into the utility makeup.

We treat our wastewater in ETP/ZLD plants wherever possible, and the treated water is used in utility makeup. About 39% of our wastewater is recycled and reused in the operations through our ZLD systems.

**6. Please provide details of air emissions (other than GHG emissions) by the entity:**

| Parameter                           | Unit | FY 2025-26                      | FY 2024-25 |
|-------------------------------------|------|---------------------------------|------------|
| NOx                                 | MT   | 45.7                            | 59.55      |
| SOx                                 | MT   | 84.65                           | 175.0      |
| Particulate matter (PM)             | MT   | 42.46                           | 72.34      |
| Persistent organic pollutants (POP) |      | Not Available* see Note 2 below |            |
| Volatile organic compounds (VOC)    |      | Not Available* see Note 3 below |            |
| Hazardous air pollutants (HAP)      |      | Not Available* see Note 2 below |            |

Note 1 - Currently calculated for stacks of Diesel Generators (DGs) and boilers

Note 2 - Currently not being monitored would consider monitoring going forward

Note 3 - Data is being monitored through online system but retrieval of data is not feasible as it's in the servers of Pollution Control Board (PCB)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**  
**If yes, name of the external agency.**

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

| Parameter                                                                                                                                                             | Unit                                                                           | FY 2025-26    | FY 2024-25    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------|---------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | tCO <sub>2</sub> e                                                             | 59,851        | 57,414        |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | tCO <sub>2</sub> e                                                             | 1,285         | 18,853        |
| <b>Total Scope 1 + 2 Emissions</b>                                                                                                                                    | <b>tCO<sub>2</sub>e</b>                                                        | <b>61,136</b> | <b>76,267</b> |
| Total Scope 1 and Scope 2 emissions per rupee of turnover                                                                                                             | tCO <sub>2</sub> e / Million Rupees                                            | 1.76          | 2.52          |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)                                                         | tCO <sub>2</sub> e / Million Rupees adjusted for Purchasing Power Parity (PPP) | 0.429         | 0.667         |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output                                                                                              | tCO <sub>2</sub> e / Ton of Production                                         | 1.06          | 1.52          |

**Note:**

- GHG emission factors, energy conversion factors, and density values (for liquid fuels) for coal, HSD, biofuel, furnace oil, and petrol are sourced from the DEFRA GHG Emission and Conversion Factors 2025.
- Emission Factors for Gases /Refrigerants sourced from IPCC-AR6 WGI Report & EPA 2025 GHG Emissions Factors Hub
- Emission factors for grid Energy considered from Central Electricity Authority i.e. FY 2023 (0.81 tCO<sub>2</sub>/MWh), FY 2024 (0.716 tCO<sub>2</sub>/MWh), FY 2025 (0.727 tCO<sub>2</sub>/MWh) & FY 2026 (0.710 tCO<sub>2</sub>/MWh).
- Calculated PPP (4.10534) based on 2025 data using a conversion factor of 22.4 INR per international dollar as of April 2024, reflecting the purchasing power of 1 USD in the U.S. (Source: CII-ASSOCHAM-FICCI, BRSR Core). The average INR to USD exchange rate for FY 2025-26, as per RBI, is 91.9596.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**  
**If yes, name of the external agency.**

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

**8. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.**

During FY 2025-26, Granules India Limited undertook focused energy conservation, efficiency improvement, and renewable energy initiatives across its manufacturing sites, delivering measurable environmental and financial benefits. The Company achieved total energy savings of 2,309,552 kWh, resulting in a GHG emission reduction of 1,640 tCO<sub>2</sub>e through energy efficiency measures. Further, increased adoption of renewable electricity contributed to an additional 6,027 tCO<sub>2</sub>e reduction in Scope 2 emissions. Additionally, for offsetting emissions, Granules procured 80,000 MWh of I-RECs for its API, FD, and R&D units, resulting in a reduction of approximately 56,800 tCO<sub>2</sub>e of GHG emissions. Collectively, these initiatives generated annual cost savings of approximately ₹176.4 lakhs, and the avoided GHG emissions is 64,467 tCO<sub>2</sub>e strengthened energy resilience, and supported alignment with statutory disclosures and ESG reporting requirements under BRSR, GRI, and global rating frameworks.

The Gagillapur unit was the major contributor to energy and emissions performance through a combination of renewable energy adoption and system efficiency improvements. Key initiatives included rooftop solar generation of 1,203 MWh, procurement of 7,286 MWh renewable electricity through PPA, replacement of conventional AHU blowers with energy efficient EC+ blowers, installation of a high efficiency air compressor, and compressed air pressure optimization. These measures resulted in energy savings of 1,548,078 kWh, GHG reduction of 1,099 tCO<sub>2</sub>e from efficiency initiatives and 5,885 tCO<sub>2</sub>e from renewable electricity, along with annual cost savings of ₹111.6 lakhs.

At the Bonthapally unit, energy optimization efforts focused on HVAC systems, utilities, and process efficiency. Key measures included replacement of AHU blowers with energy efficient Aeronaut blowers, interlocking of chillers and RT pumps, installation of temperature controllers in cleanroom AHUs, deployment of IRIS controllers for air compressors, and installation of an auto tube cleaning system for refrigeration units. These initiatives delivered energy savings of 758,830 kWh, corresponding to a GHG reduction of 538.7 tCO<sub>2</sub>e, and annual cost savings of ₹64.6 lakhs.

Energy conservation initiatives at the Parawada unit-IV included replacement of conventional street lighting with energy efficient bollard lights, adoption of BLDC motors for canteen sealing fans, and automation of capacitor banks to achieve unity power factor. These measures resulted in energy savings of 2,644 kWh, GHG reduction of 2 tCO<sub>2</sub>e, and annual cost savings of ₹0.5 lakhs.

These initiatives underscore the Company's commitment to sustainability through operational excellence, renewable energy adoption, and continuous improvement in energy use, all aligned with its long-term Net Zero ambitions and science-based targets.

#### 9. Provide details related to waste management by the entity:

| Parameter                                                                                                                                                                                                        | FY 2025-26    | FY 2024-25    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Total waste generated (in metric tonnes)</b>                                                                                                                                                                  |               |               |
| Plastic waste (A)                                                                                                                                                                                                | 981.53        | 873.4         |
| E-Waste (B)                                                                                                                                                                                                      | 4.52          | 3.75          |
| Bio-Medical Waste (C)                                                                                                                                                                                            | 6.81          | 5.71          |
| Construction and demolition waste (D)                                                                                                                                                                            | 0             | 0             |
| Battery Waste (E)*                                                                                                                                                                                               | 5.09          | 4.37          |
| Radioactive waste (F)                                                                                                                                                                                            | 0             | 0             |
| Other Hazardous waste. Please specify, if any. (G)                                                                                                                                                               | 5594.5        | 3194.38       |
| Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) Metal Scrap (MS, Aluminium etc) Paper and Paper Board Glass Waste Wood Waste | 1945.06       | 2004.3        |
| <b>Total (A+B+C+D+E+F+G+H)</b>                                                                                                                                                                                   | <b>8537.5</b> | <b>6086.0</b> |
| Waste intensity per rupee of turnover                                                                                                                                                                            | 0.246         | 0.201         |
| Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)                                                                                                                                 | 0.060         | 0.053         |
| Waste intensity in terms of physical output (MT/MT)                                                                                                                                                              | 0.148         | 0.122         |
| *Old batteries are disposed to the vendor on "buy back system"                                                                                                                                                   |               |               |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>                                                                   |               |               |
| <b>Category of waste</b>                                                                                                                                                                                         |               |               |
| i. Recycled                                                                                                                                                                                                      | 2939.03       | 2886.1        |
| ii. Re-used                                                                                                                                                                                                      | 4594.6        | 2540.5        |
| iii. Other recovery operations (safely disposed)                                                                                                                                                                 | 1003.77       | 659.3         |
| <b>Total</b>                                                                                                                                                                                                     | <b>8537.5</b> | <b>6086.0</b> |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                                                                                                |               |               |
| <b>Category of waste</b>                                                                                                                                                                                         |               |               |
| i. Incineration                                                                                                                                                                                                  | 62.85         | 69.3          |
| ii. Landfilling                                                                                                                                                                                                  | 934.11        | 584.2         |
| iii. Other disposal operations (Co-processing)                                                                                                                                                                   | 4594.67       | 2540.5        |
| <b>Total</b>                                                                                                                                                                                                     | <b>5591.6</b> | <b>3194.1</b> |

Note:

- Coal ash data is not included in the above table, as tracking was initiated in FY 2025-26. The total generation recorded during the reporting period is 5,232.6 MT, which is being sent to brick manufacturers for reuse.
- This exclusion pertains to food/canteen waste, as the food waste is being diverted for use as cattle feed.
- Calculated PPP (4.10534) based on 2025 data using a conversion factor of 22.4 INR per international dollar as of April 2024, reflecting the purchasing power of 1 USD in the U.S. (Source: CII-ASSOCHAM-FICCI, BRSR Core). The average INR to USD exchange rate for FY 2025-26, as per RBI, is 91.9596.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**  
**If yes, name of the external agency.**

Yes, the independent assurance is carried out by the Bureau Veritas (India) Pvt. Ltd.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Granules operate in a sector producing significant amounts of hazardous and non-hazardous waste. Our manufacturing facilities generate substantial amounts of solvents and other hazardous waste, which we aim to reduce through process optimization and co-processing initiatives. Under our clean manufacturing practices, all solid wastes from our plants are either co-incinerated in cement industries or handled by authorized vendors.

Our Waste Management systems and processes are guided by ISO 14001. We segregate hazardous and non-hazardous waste at the source and store them in dedicated areas within our facilities. After thorough sorting, hazardous waste is stored by category in designated hazardous waste storage areas and disposed of at Pollution Control Board-approved facilities in compliance with relevant regulations.

We registered with CPCB under the Extended Producer Responsibility (EPR) under the Importers category in the current reporting period, and our waste management plan is aligned with the EPR guidelines.

100% of the non-hazardous waste generated at our manufacturing sites is sent to authorized recyclers for recycling. Approximately 83% of our hazardous waste undergoes energy recovery through co-processing, and the rest is disposed of through Authorized vendors. These measures ensure we manage waste responsibly, mitigate environmental impact, and adhere to regulatory requirements effectively.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

We do not have any factories in ecologically sensitive areas

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|---------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| Not applicable                    |                     |      |                                                             |                                                  |                   |

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the water (Prevention and control of pollution) Act , Air (Prevention and Control of pollution) Act, Environment protection act and rules thereunder (Y/N). If not, Provide all details of all such non-compliances, in the following format:**

| SL NO.         | Specify the law / regulation / guidelines which was not complied with | Provide details the of non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|----------------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| Not applicable |                                                                       |                                       |                                                                                                           |                                 |

## Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Hyderabad (Gagillapur, Bonthapally, Jeedimetla, Pragathi Nagar, Shamirpet), Visakhapatnam (Parawada) and Pune
- Nature of operations: Manufacturing and R&D

iii. Water withdrawal, consumption and discharge in the following format

| Parameter                                                                                                                                                    | Unit                                                         | FY 2025-26      | FY 2024-25      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-----------------|-----------------|
| <b>Water withdrawal by source</b>                                                                                                                            |                                                              |                 |                 |
| i. Surface water                                                                                                                                             | KL                                                           | 0               | 0               |
| ii. Ground Water                                                                                                                                             | KL                                                           | 0               | 0               |
| iii. Third Party Water                                                                                                                                       | KL                                                           | 3,93,791        | 3,56,980        |
| iv. Seawater/ Desalinated Water                                                                                                                              | KL                                                           | 0               | 0               |
| v. v. Others: (Rainwater Harvesting)                                                                                                                         | KL                                                           | 4517            | 2169            |
| <b>Total volume of water withdrawal (in kilolitres)</b>                                                                                                      | KL                                                           | <b>3,98,308</b> | <b>3,59,149</b> |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                     | KL                                                           | <b>2,39,951</b> | <b>2,16,823</b> |
| <b>Water Consumption intensity per rupee of turnover</b>                                                                                                     | KL/Million Rupee                                             | 6.91            | 7.16            |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) | KL/Million Rupees adjusted for Purchasing Power Parity (PPP) | 1.68            | 1.90            |
| <b>Water intensity in terms of physical output</b>                                                                                                           | KI/Tons of Production                                        | 4.16            | 4.33            |

**Water discharge by destination and level of treatment (in kilolitres)**

| Parameter                                            | FY 2025-26       | FY 2024-25       |
|------------------------------------------------------|------------------|------------------|
| i. To Surface water                                  |                  |                  |
| - No treatment                                       | -                | -                |
| - With treatment – please specify level of treatment | -                | -                |
| ii. To Groundwater                                   |                  |                  |
| - No treatment                                       | -                | -                |
| - With treatment – please specify level of treatment | -                | -                |
| iii. To Seawater                                     |                  |                  |
| - No treatment                                       | -                | -                |
| - With treatment – please specify level of treatment | -                | -                |
| iv. Sent to third parties                            |                  |                  |
| - No treatment                                       | -                | -                |
| - With treatment – please specify level of treatment | 94,970 KL        | 78,968 KL        |
| v. Others                                            |                  |                  |
| - No treatment                                       | -                | -                |
| - With treatment – please specify level of treatment | -                | -                |
| <b>Total water discharged (in kilolitres)</b>        | <b>94,970 KL</b> | <b>78,968 KL</b> |

**2. Please provide details of total Scope 3 emissions & its intensity:**

| Parameter                                                                                                                                                          | Unit               | FY 2025-26      | FY 2024-25      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------|-----------------|
| Category 1 - Purchased Goods & Services                                                                                                                            | tCO <sub>2</sub> e | 4,29,284        | 3,60,046        |
| Category 2 - Capital Goods                                                                                                                                         | tCO <sub>2</sub> e | 4,018           | 17,521          |
| Category 3 - Fuel and Energy Related Activities                                                                                                                    | tCO <sub>2</sub> e | 29,733          | 24,196          |
| Category 4 - Upstream Transportation & Distribution                                                                                                                | tCO <sub>2</sub> e | 6,844           | 8,488           |
| Category 5 - Waste Generated from Operations                                                                                                                       | tCO <sub>2</sub> e | 849             | 2,074           |
| Category 6 - Business Travel                                                                                                                                       | tCO <sub>2</sub> e | 664             | 377             |
| Category 7 - Employee Commuting                                                                                                                                    | tCO <sub>2</sub> e | 1,323           | 1,064           |
| Category 8 - Upstream Leased Assets                                                                                                                                | tCO <sub>2</sub> e | 253             | 341             |
| Category 9 - Downstream Transportation & Distribution                                                                                                              | tCO <sub>2</sub> e | 48,342          | 20,648          |
| Category 10 - Processing of Sold Products                                                                                                                          | tCO <sub>2</sub> e | 36,547          | 29,905          |
| Category 11 - Use of Sold Products                                                                                                                                 | tCO <sub>2</sub> e | 0               | 0               |
| Category 12 - End of Life Treatment of sold products                                                                                                               | tCO <sub>2</sub> e | 2,436           | 3,402           |
| Category 13 - Downstream Leased Assets                                                                                                                             | tCO <sub>2</sub> e | 0               | 0               |
| Category 14 - Franchises                                                                                                                                           | tCO <sub>2</sub> e | 0               | 0               |
| Category 15 - Investments                                                                                                                                          | tCO <sub>2</sub> e | 0               | 0               |
| <b>Total Scope 3 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</b> | tCO <sub>2</sub> e | <b>5,60,293</b> | <b>4,68,062</b> |



| Parameter                                              | Unit                                       | FY 2025-26 | FY 2024-25 |
|--------------------------------------------------------|--------------------------------------------|------------|------------|
| Total Scope 3 emissions per rupee of turnover          | tCO <sub>2</sub> e /INR                    | 16.13      | 15.45      |
| Scope 3 emission Intensity in terms of physical output | tCO <sub>2</sub> e /<br>Tons of Production | 9.71       | 9.35       |

**Note: Category 11, 13, 14, 15 are Not Applicable, as these categories are not relevant to Granules business**

Granules Scope 3 quantification methodology is aligned with the GHG accounting standard and ISO 14064, which provides guidance on the quantification and reporting of greenhouse gas emissions. Due to variations in data availability and the nature of each category, we have employed different methodologies for different categories as per below table:

| Scope 3 Category No | Scope 3 Category Description               | Methodology                                           |
|---------------------|--------------------------------------------|-------------------------------------------------------|
| 1.                  | Purchased Goods and Services               | Supplier-specific method (~85%), Hybrid method (~15%) |
| 2.                  | Capital Goods                              | Hybrid method/ Average-product method                 |
| 3.                  | Fuel- and Energy-Related Activities        | Average-data method                                   |
| 4.                  | Upstream Transportation and Distribution   | Distance-based method                                 |
| 5.                  | Waste Generated in Operations              | Waste-type-specific method                            |
| 6.                  | Business Travel                            | Distance-based method                                 |
| 7.                  | Employee Commuting                         | Fuel-based method                                     |
| 8.                  | Upstream Leased Assets                     | Lessor-specific method                                |
| 9.                  | Downstream Transportation and Distribution | Distance-based method                                 |
| 10.                 | Processing of Sold Products                | Average-data method                                   |
| 11.                 | Use of Sold Products                       | Not Applicable, as this category is not relevant      |
| 12.                 | End-of-Life Treatment of Sold Products     | Average-data method                                   |
| 13.                 | Downstream Leased Assets                   | Not Applicable, as this category is not relevant      |
| 14.                 | Franchises                                 | Not Applicable, as this category is not relevant      |
| 15.                 | Investments                                | Not Applicable, as this category is not relevant      |

We prioritize the supplier-specific method across more than 80% of our value chain, enabling us to access precise emissions data directly from our partners. This approach captures the distinct practices and efficiencies of each supplier, fostering transparency and accountability.

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Our company does not operate in ecologically sensitive areas.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

During FY 2025–26, Granules India Limited undertook focused energy conservation, efficiency improvement, and renewable energy initiatives across its manufacturing sites, delivering measurable environmental and financial benefits. The Company achieved total energy savings of 2,309,552 kWh, resulting in a GHG emission reduction of 1,640 tCO<sub>2</sub>e through energy efficiency measures. Further, increased adoption of renewable electricity contributed to an additional 6,027 tCO<sub>2</sub>e reduction in Scope 2 emissions. Additionally, for offsetting emissions, Granules procured 80,000 MWh of I-RECs for its API, FD, and R&D units, resulting in a reduction of approximately 56,800 tCO<sub>2</sub>e of GHG emissions. Collectively, these initiatives generated annual cost savings of approximately ₹176.4 lakhs, and the avoided GHG emissions is 64,467 tCO<sub>2</sub>e strengthened energy resilience, and supported alignment with statutory disclosures and ESG reporting requirements under BRSR, GRI, and global rating frameworks.

The Gagillapur unit was the major contributor to energy and emissions performance through a combination of renewable energy adoption and system efficiency improvements. Key initiatives included rooftop solar generation of 1,203 MWh, procurement of 7,286 MWh renewable electricity through PPA, replacement of conventional AHU blowers with energy efficient EC+ blowers, installation of a high efficiency air compressor, and compressed air pressure optimization. These measures resulted in energy savings of 1,548,078 kWh, GHG reduction of 1,099 tCO<sub>2</sub>e from efficiency initiatives and 5,885 tCO<sub>2</sub>e from renewable electricity, along with annual cost savings of ₹111.6 lakhs.

At the Bonthapally unit, energy optimization efforts focused on HVAC systems, utilities, and process efficiency. Key measures included replacement of AHU blowers with energy efficient Aeronaut blowers, interlocking of chillers and RT pumps, installation of temperature controllers in cleanroom AHUs, deployment of IRIS controllers for air compressors, and installation of an auto tube cleaning system for refrigeration units. These initiatives delivered energy savings of 758,830 kWh, corresponding to a GHG reduction of 538.7 tCO<sub>2</sub>e, and annual cost savings of ₹64.6 lakhs.

Energy conservation initiatives at the Parawada unit-IV included replacement of conventional street lighting with energy efficient bollard lights, adoption of BLDC motors for canteen sealing fans, and automation of capacitor banks to achieve unity power factor. These measures resulted in energy savings of 2,644 kWh, GHG reduction of 2 tCO<sub>2</sub>e, and annual cost savings of ₹0.5 lakhs.

These initiatives underscore the Company's commitment to sustainability through operational excellence, renewable energy adoption, and continuous improvement in energy use, all aligned with its long-term Net Zero ambitions and science-based targets.

| SL NO. | Initiatives Undertaken                    | Details of the initiative (Web-link, if any, may be provided along-with summary)                                                                                                                                                                     | Outcome of the initiative                                                                                                                    |
|--------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Zero Liquid Discharge System              | We maintain Zero Liquid Discharge Systems and Effluent Treatment Plants with RO Recovery Systems to ensure that the effluents generated are treated to minimize the environmental impact and reuse resources wherever possible.                      | The initiative has enabled complete wastewater recycling, reducing freshwater dependency and ensuring zero liquid discharge from operations. |
| 2.     | Implementation of Rooftop Solar           | At our Gagillapur unit, we enhanced our on-site solar power capacity by adding 660 kW to the existing 320 kW system, reaching a total capacity of 1 MW. This expansion contributed to an overall electricity generation of 1203 MWh during the year. | 1203 MWh of power<br>Generated and 854 MT of CO <sub>2</sub><br>GHG Emissions Avoided                                                        |
| 3.     | Purchase of Renewable Energy through PPA  | We procured 7286 MWh of Electricity for Gagillapur unit.                                                                                                                                                                                             | 5173 tCO <sub>2</sub> e of GHG emissions avoided.                                                                                            |
| 4.     | Purchase of Renewable Energy Certificates | We have procured 80000 MWh of RECs for our API, FD & R&D Units                                                                                                                                                                                       | 56,800 tCO <sub>2</sub> e of GHG emissions are offsetted.                                                                                    |

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Granules has implemented an Enterprise-wide Risk Management (ERM) framework to identify, prioritize, and continuously monitor the most critical business risks. The board established a dedicated internal Risk committee to oversee and assess these risks continuously.

Granules has established a structured process to monitor its current risk profile and adjust priorities as part of a comprehensive long-term risk mitigation strategy. Granules has engaged a third party to develop a Business Continuity Plan (BCP) and support the review of its Risk Management Program under the ERM framework to ensure robustness and readiness.

Granules also have disaster management plans in place to address natural calamities. These plans include onsite emergency procedures and tailored disaster management strategies at the unit level, considering various potential scenarios. This holistic approach underscores Granules' commitment to ensuring business continuity, safeguarding operations, and protecting its stakeholders in the face of unforeseen events.

**6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impact has been observed during value chain assessments. However, we understand that climate change impacts all sectors and all sectors have an impact on the climate. Therefore, we engaged with our suppliers to evaluate the climate impact in the value chain due to carbon emissions occurring on account of manufacturing products for Granules. We have committed and established a strategy to reduce carbon emissions.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

90% of our partners are assessed for environmental impacts. We have regular supplier audits and educate the major suppliers on the environmental aspects.

## PRINCIPLE 7 BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Granules is committed to shaping public policy related to its area of interest. It believes in the above statements and has been associated with a national trade organization to promote policies and regulations related to pharma companies in the country. Taking responsibility for its business responsibilities, Granules has transparently disclosed this in its BRSR.

### Essential Indicators

#### 1. a. Number of affiliations with trade and industry chambers/ associations

The company is associated with various industry chambers/associations as listed below:

#### b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| SL NO. | Name of the trade and industry chambers / associations                                     | Reach of trade and industry chambers/ associations (State/National) |
|--------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| 1      | Pharmaceutical supply Chain Initiative (PSCI)                                              | International                                                       |
| 2      | United Nations Global Compact (UNGC)                                                       | International                                                       |
| 3      | UN Women's Empowerment Principles (UN WEP)                                                 | International                                                       |
| 4      | British Safety Council of India (BSCI)                                                     | International                                                       |
| 5      | Safety Council of India (NSCI)                                                             | National                                                            |
| 6      | Center for Fourth Industrial Revolution (C4IR) - World Economic Forum                      | International                                                       |
| 7      | Confederation of Indian Industry (CII)                                                     | National                                                            |
| 8      | Bulk Drug Manufacturer Association of India (BDMAI)                                        | National                                                            |
| 9      | The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI) | State                                                               |

#### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of the Authority | Brief of the case | Corrective Action Taken |
|-----------------------|-------------------|-------------------------|
|                       | None              |                         |

No adverse orders from regulatory authorities have been received on issues related to anti-competitive conduct by the entity.

### Leadership Indicators

#### 1. Details of public policy positions advocated by the entity:

Granules actively engages with national and global platforms to promote sustainability, safety, innovation, and industry development.

As a member of the Pharmaceutical Supply Chain Initiative (PSCI), we uphold responsible supply chain standards and collaborate on ethical, environmental, and safety practices. Through our commitment to the United Nations Global Compact (UNGC), we align with the Ten Principles and contribute meaningfully to the UN Sustainable Development Goals. We became an official signatory to the UN-WEP (UN-Women's Empowerment Principles), reaffirming its commitment to gender equality and alignment with SDG5 (Gender Equality). Our membership in the British Safety Council (BSC) and the National Safety Council of India (NSCI) strengthens our health and safety frameworks by enabling access to global best practices, training, and regulatory insights. At the Centre for the Fourth Industrial Revolution (C4IR) of the World Economic Forum, Granules contributes to advancing technology-driven sustainable manufacturing. Additionally, we participate in policy advocacy and industry collaboration through the Confederation of Indian Industry (CII) and the Bulk Drug Manufacturers Association of India (BDMAI), promoting innovation and excellence in the pharmaceutical sector. At the regional level, our engagement with the Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI) supports local economic growth and responsible business practices. Collectively, these affiliations reflect Granules' commitment to responsible leadership and continuous improvement across all facets of our operations.

| SL NO. | Public policy advocated                                                                                                                                                       | Method resorted for such advocacy                                                                                                                                                              | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Promotion of responsible supply chain practices, environmental sustainability, health and safety standards, innovation in pharma manufacturing, and regulatory policy reforms | Participation in industry associations and forums like PSCI, UNGC, UNWEP, NSCI, BSC, C4IR (WEF), CII, BDMAI, and FTAPCCI through working groups, consultations, and knowledge-sharing sessions | No                                                       | At Frequent Intervals                                                                     | <a href="https://granulesindia.com/sustainability/#-Commitments">https://granulesindia.com/sustainability/#-Commitments</a><br><br><a href="https://unglobalcompact.org/what-is-gc/participants/160512-GRANULES-INDIA-LIMITED">https://unglobalcompact.org/what-is-gc/participants/160512-GRANULES-INDIA-LIMITED</a><br><br><a href="https://pscinitiative.org/supplierPartnership">https://pscinitiative.org/supplierPartnership</a> |

## PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

As a part of the Corporate Social Responsibility, Granules has been actively engaged in anchoring CSR programs for the benefits of its communities and stakeholders. We have identified the themes for CSR and has undertaken projects for benefit of the communities they operate in.

### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|-----------------------------------------------------------|------------------------------------------------|-------------------|
| Not Applicable                    |                      |                      |                                                           |                                                |                   |

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

| SL NO.         | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|----------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|---------------------------------------|
| Not Applicable |                                          |       |          |                                         |                          |                                       |

#### 3. Describe the mechanisms to receive and redress grievances of the community.

Granules has established a Grievance redressal Policy to effectively address the concerns of the community where we operate. To facilitate transparency and accessibility, Granules provides multiple communication channels as part of its Grievance Policy. These include direct meetings, email correspondence, and dedicated grievance forms. Each grievance is handled promptly, committed to providing a timely resolution or response per the established timeline. Individuals can approach the unit's HR manager to formally document their grievances and submit a written complaint. Once received, the plant head reviews the grievance in consultation with relevant stakeholders within the organization. Each grievance is handled promptly, with a commitment to resolving or responding within 30 days.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

|                                              | FY 2025-26 | FY 2024-25 |
|----------------------------------------------|------------|------------|
| Directly sourced from MSMEs/ small producers | 11.3%      | 5.8%       |
| Directly from within India                   | 65.8%      | 54%        |

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

| Location     | FY 2025-26 | FY 2024-25 |
|--------------|------------|------------|
| Rural        | 10.11%     | 10.97%     |
| Semi-urban   | 76.08%     | 76.32%     |
| Urban        | 7.95%      | 6.99%      |
| Metropolitan | 5.86%      | 5.76%      |

The following locations have been considered under each category:

- Rural: Bonthapally (GIL-1 and GIL-3)
- Semi-Urban: Gagillapur (GIL), Parawada (GIL-4 and GIL-5), Genome Valley
- Urban: Jeedimetla (GIL-2), Pragathi Nagar (RC1 and RC2)
- Metropolitan: Pune R&D Center, Corporate Office (Hyderabad)

**Leadership Indicators****1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above):**

| Details of negative social impact identified | Corrective action taken |
|----------------------------------------------|-------------------------|
|                                              | Not Applicable          |

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

| SL NO. | State | Aspirational district | Amount spent (in ₹) |
|--------|-------|-----------------------|---------------------|
|        |       | Nil                   |                     |

**3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Our sustainable procurement policy prioritizes suppliers from marginalized or vulnerable groups while maintaining product quality standards. We also support MSMEs and Small Suppliers. This commitment ensures that our procurement decisions contribute positively to social equity without compromising product quality. We aim to support suppliers who uphold fair Labor practices and promote diversity. This approach aligns our sourcing practices with ethical standards and fosters inclusive economic growth in our supply chain.

**(b) From which marginalized /vulnerable groups do you procure?**

We are in the process of collecting this information across our value chain

**(c) What percentage of total procurement (by value) does it constitute?**

We are in the process of collecting this information across our value chain

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| SL NO.         | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|----------------|------------------------------------------------------|--------------------------|---------------------------|------------------------------------|
| Not applicable |                                                      |                          |                           |                                    |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not applicable    |                   |                         |

6. Details of beneficiaries of CSR projects:

| SL NO. | CSR Projects (in FY 2025-26)                                                                                                                                                                                                                          | No. of persons benefitted from CSR Projects                                         | % Of beneficiaries from vulnerable and marginalized groups |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|
| 1.     | Breast Health Express - Mobile mammography and awareness initiative improving early detection and access to screening services for underserved women in rural communities.                                                                            | 3677 - Total Consultations<br>1769 mammograms<br>395 ultrasounds                    | 90%                                                        |
| 2.     | Pharma Pathashala - Placement-linked skill development programme for rural youth in collaboration with Swarna Bharath Trust.                                                                                                                          | 1600+ Students (Since Inception in 2017) with 150+ participants in the current year | 100%                                                       |
| 3.     | Vidya Volunteers - Deployment of dedicated volunteers to strengthen teaching support and improve learning outcomes in government schools.                                                                                                             | 600+ Students                                                                       | 100%                                                       |
| 4.     | TB Nutrition Support -Distribution of nutritional kits to TB patients to improve recovery and treatment adherence.                                                                                                                                    | 1,030 - Patients                                                                    | 100%                                                       |
| 5.     | BC Hostel Transformation -Renovation and infrastructure improvement of BC Welfare Hostel to create a safe learning environment.                                                                                                                       | 100+ Students                                                                       | 100%                                                       |
| 6.     | Granules Vidya Scholarships -Financial aid, study materials, and mentorship were provided across Andhra Pradesh and Telangana to address financial barriers to civil service preparation.                                                             | 20 - Students                                                                       | 90%                                                        |
| 7.     | In partnership with Potukuchi Somasundara Trust, a fully constructed building was donated to support educational activities for government school students in Bonthapally, providing them with essential resources and training for academic success. | 70 students                                                                         | 90%                                                        |
| 8.     | Education kits were distributed to differently abled children to address lack of access to essential learning resources.                                                                                                                              | 300+ Students                                                                       | 100%                                                       |
| 9.     | Eco friendly clay idols were distributed to address environmental pollution caused by traditional idols.                                                                                                                                              | 6,000+                                                                              | 90%                                                        |
| 10.    | A blood donation camp was organized in Gagillapur to support cancer patients, addressing healthcare needs through voluntary blood donation.                                                                                                           | 150 units                                                                           | 100%                                                       |
| 11.    | Drinking water bottles were distributed during large gatherings to ensure access to safe drinking water and address the need for reliable hydration support.                                                                                          | 4 lakh water bottles                                                                | -                                                          |
| 12.    | Education and nutrition support were provided to underprivileged children in Khammam to address educational and nutritional challenges, improving access to learning and overall well-being.                                                          | 40 students                                                                         | 100%                                                       |



| SL NO. | CSR Projects (in FY 2025-26)                                                                                                                                     | No. of persons benefitted from CSR Projects | % Of beneficiaries from vulnerable and marginalized groups |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------------------------|
| 13.    | Sponsorship support was provided to promote mountaineering talent, encouraging sports development.                                                               | 1                                           | 100%                                                       |
| 14.    | Mid-day meals were sponsored in Jinnaram, Telangana to address nutritional gaps affecting student performance, improving nutrition levels and school attendance. | 300+ students                               | 100%                                                       |
| 15.    | A marathon and plantation drive were organized in Hyderabad to promote environmental awareness and fitness, fostering sustainability and community engagement.   | 1,00,000+ participants                      | -                                                          |
| 16.    | One of the sponsors for Examthon Marathon which was conducted with the objective of promoting stress free education for the students                             | 5000+ participants                          | 90%                                                        |
| 17.    | Granules in association with LV Prasad Eye insititute has conducted eye screening tests to 23 government school going children                                   | 2900+                                       | 100%                                                       |

## PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Granules understand the importance of businesses to provide safe and valuable products and recognize its role in promoting responsible consumption and strives to abide by the same.

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

- At Granules India, we place a strong emphasis on delivering high-quality products and ensuring timely service to our customers. Customer feedback is actively gathered through multiple channels, including surveys, direct interactions, and service touchpoints. This feedback is systematically analysed to identify improvement areas and enhance our products and services in line with customer expectations.
- All customer complaints are addressed within the timelines defined in our Quality Standard Operating Procedures, with necessary corrective and preventive actions integrated into our processes. The Company ensures that no complaints remain unresolved beyond the stipulated resolution period by the end of the financial year. Each complaint is thoroughly investigated, and appropriate responses along with action plans are communicated to customers and relevant internal stakeholders. This structured approach enables timely resolution of issues while driving continuous improvement in product quality and customer satisfaction.
- Integrating customer feedback into our continuous improvement efforts demonstrates our commitment to excellence and dedication to maintaining the highest standards in everything we do. This proactive approach ensures that our customers receive the best products and services, reinforcing our reputation for quality and reliability.

#### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

|                                                             | As a percentage to total turnover |
|-------------------------------------------------------------|-----------------------------------|
| Environmental and social parameters relevant to the product | 100%                              |
| Safe and responsible usage                                  | 100%                              |
| Recycling and/or safe disposal                              | 100%                              |

Granules complies with all regulatory requirements regarding the display of information on product labels. Our labels clearly show the product name, strength, batch number, expiry date, and manufacturer address. This ensures that consumers have all the essential information they need.

We emphasize the importance of safe and responsible usage, providing clear instructions on using the product correctly. Our product brochures also contain information on recycling and safe disposal, guiding consumers on managing the product responsibly after use. This comprehensive approach meets regulatory standards and promotes environmental consciousness and social responsibility, ensuring the well-being of our customers and the community.

### 3. Number of consumer complaints:

|                                              | FY 2025-26               |                                   |                                                                                                                                                              | FY 2024-25               |                                   |                                                              |
|----------------------------------------------|--------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------------------|--------------------------------------------------------------|
|                                              | Received during the year | Pending resolution at end of year | Remarks                                                                                                                                                      | Received during the year | Pending resolution at end of year | Remarks                                                      |
| Data privacy                                 | 0                        | 0                                 | Nil                                                                                                                                                          | 0                        | 0                                 | Nil                                                          |
| Advertising                                  | 0                        | 0                                 | Nil                                                                                                                                                          | 0                        | 0                                 | Nil                                                          |
| Cyber-security                               | 0                        | 0                                 | Nil                                                                                                                                                          | 0                        | 0                                 | Nil                                                          |
| Delivery of essential services               | 0                        | 0                                 | Nil                                                                                                                                                          | 0                        | 0                                 | Nil                                                          |
| Restrictive Trade Practices                  | 0                        | 0                                 | Nil                                                                                                                                                          | 0                        | 0                                 | Nil                                                          |
| Unfair Trade Practices                       | 0                        | 0                                 | Nil                                                                                                                                                          | 0                        | 0                                 | Nil                                                          |
| Other-Packaging, Quality, Transit and others | 630                      | 0                                 | Two investigation reports are under customer review, and all other complaints have been resolved or are under investigation within the prescribed timelines. | 580                      | 0                                 | All the complaints were resolved during the reporting period |

### 4. Details of instances of product recalls on accounts of safety issues

|                   | Number | Reasons for recall                                                                                                                                                                                                                                                        |
|-------------------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Voluntary recalls | 2      | Two product recalls were initiated as a precautionary measure: one involving Metoprolol Succinate Release Tablet as it failed to meet the dissolution acceptance, and another for Trazodone HCL Tablets USP 50mg due to mixing of tablets from a different product batch. |
| Forced recalls    | 0      | NA                                                                                                                                                                                                                                                                        |

### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. Our Privacy Policy aims to ensure the privacy of Personal Information processed by Granules by implementing necessary controls and complying with legal and regulatory requirements. It also seeks to create a culture of privacy by promoting employee awareness. The policy applies to all employees, including contractual employees and interns. Our commitment to data privacy is evident from our emphasis on protecting personal information, which is crucial in today's digital age, where data breaches are a constant threat. The policy helps to build trust among our customers and stakeholders, demonstrating our commitment to data privacy and protection.

Our Privacy Policy is available on our Intranet and is communicated to all relevant stakeholders as needed.

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No product recalls or penalties from regulatory authorities regarding safety and product quality were recorded in the reporting year. Therefore, no corrective actions are needed or required.

At Granules, we have established strong quality systems to prevent such issues. These systems ensure our products are safe and high-quality throughout their shelf life. Our commitment to quality helps us avoid any problems and maintain the trust of our customers and regulatory bodies. We continuously monitor and improve our processes to uphold these high standards and ensure the best outcomes for our consumers.

### 7. Provide the following information relating to data breaches:

#### a. Number of instances of data breaches along with impact:

At Granules, there were no instances of consumer and product data breaches during the reporting year

**b. Percentage of data breaches involving personally identifiable information of customers):**

No incidents involving a breach of personally identifiable information were recorded in the reporting year

**c. Impact, if any, of the data breaches**

Nil

### Leadership Indicators

**1. Channels / platforms where information on products and services of the Company can be accessed All our product catalogues are available on our website. The respective links are provided below:**

- Active Pharmaceutical Ingredients Catalogue  
<https://granulesindia.com/products/active-pharmaceutical-ingredients-apis/active-pharmaceutical-ingredients-catalog/>
- Pharmaceutical Formulations Intermediates Catalogue  
<https://granulesindia.com/products/pharmaceutical-formulations-intermediates/>
- Finished Dosages  
<https://granulesindia.com/products/finished-dosages/>
- High Potent Products Catalogue  
<https://granulesindia.com/products/high-potent-product/>

**2. Steps taken to inform and educate consumers, especially vulnerable and marginalized consumers, about safe and responsible usage of products and services.**

- We provide clear instructions that describe the product's active ingredients, caution for consumption or usage, possible side effects, and guidelines for storage and disposal.
- For each product, we include a material safety data sheet that offers detailed information on handling and storage.
- Additionally, every pack comes with a product leaflet containing essential information about drug administration, compositions, and potential side effects. This information is designed to be self-explanatory and easy to understand.
- To ensure safety, we also include very specific disclaimers on all medicines, emphasizing that they should only be used as directed by healthcare professionals
- We aim to ensure consumers have all the information they need to use our products safely and effectively.

**3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.**

At Granules, structured email communications are issued to proactively inform consumers about any potential service disruptions or risks of product discontinuation. These communications are designed to ensure timely, transparent, and clear dissemination of information, enabling customers to anticipate and manage any potential impact. Relevant details, including the nature of the disruption, expected timelines, and alternative arrangements (where applicable), are communicated to support informed decision-making. This approach reinforces our commitment to maintaining trust, transparency, and continuity in customer relationships.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Yes, Granules displays the Product name, strength, batch number, expiry date, and manufacturer address details on product labels in a readable format, as per regulatory requirements.

**5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, our Customer Relations and Marketing teams actively engage with customers through regular interactions to gather feedback on products and services. This feedback is systematically documented and shared with relevant internal stakeholders for further evaluation and action.

The collected inputs are analysed to identify trends, areas of improvement, and opportunities to enhance customer experience. Cross-functional teams work collaboratively to address concerns, implement corrective measures, and strengthen product quality and service delivery. This structured feedback loop enables Granules to remain responsive to customer needs while continuously improving overall satisfaction and long-term relationships.