

BIODIVERSITY AND AFFORESTATION POLICY

1. Purpose and Introduction

At Granules, we recognize that biodiversity – the variety of life on Earth – is fundamental to ecological balance and sustainable development. The conservation and enhancement of biodiversity are integral to our purpose of *healing lives responsibly through pioneering green science*.

This policy affirms Granules' commitment to conserving biodiversity, preventing deforestation, and promoting afforestation initiatives across our operations and value chain. We aim to minimize our ecological footprint and contribute positively to local ecosystems through restoration and conservation measures.

2. Alignment with Global and National Frameworks

Granules' approach to biodiversity conservation and afforestation is aligned with:

- **The UN Convention on Biological Diversity (CBD)**
- **The UN Sustainable Development Goals (SDGs); particularly SDG 15 (Life on Land), SDG 13 (Climate Action), and SDG 12 (Responsible Consumption and Production)**
- **The National Biodiversity Action Plan (India) and relevant local regulations**

We also promote sustainable forest management and sourcing practices consistent with **Forest Stewardship Council (FSC)** and **Programme for the Endorsement of Forest Certification (PEFC)** standards.

3. Scope and Applicability

This policy applies to:

- All Granules manufacturing and R&D facilities, subsidiaries, and joint ventures.
- All employees, contractors, and supply chain partners.
- All products, projects, and services with potential biodiversity or land-use impact.

Our suppliers and contractors are encouraged to align with Granules' biodiversity and afforestation principles.

4. Commitments

Granules is committed to:

- **Preserving the diversity of species and ecosystems** in and around our operational sites.
- **Achieving deforestation-free sourcing of raw materials and packaging.**
- **Enhancing green cover through afforestation and habitat restoration programs.**
- **Integrating biodiversity considerations** into site planning, project design, and environmental management systems.
- **Engaging local communities and NGOs** in biodiversity and afforestation initiatives.
- **Promoting awareness and capacity building** among employees and stakeholders.
- **Ensuring compliance** with all applicable environmental and biodiversity-related regulations.

5. Afforestation and Habitat Enhancement Strategy

Granules' afforestation and habitat restoration activities will include:

- Tree plantation drives within and around operational areas, focusing on native and drought-tolerant species.
- Restoration of degraded land and water bodies near manufacturing facilities.
- Creation of green belts and biodiversity zones at sites.
- Collaboration with environmental experts, local authorities, and NGOs for site-specific biodiversity management.
- Supporting urban greening and community forest programs in nearby region

6. Mitigation Hierarchy

Granules follows the biodiversity mitigation hierarchy in all projects:

- **Avoidance:** Prevent biodiversity loss through careful site selection and impact assessment.
- **Minimization:** Reduce unavoidable impacts through sustainable design and operational practices.
- **Restoration:** Rehabilitate affected habitats or landscapes.
- **Offsetting:** Implement compensatory afforestation or conservation actions to ensure a net positive impact on biodiversity.

7. Biodiversity and Afforestation Targets

- Achieve positive impact on biodiversity across all manufacturing sites by 2035.
- Develop and implement Biodiversity Action Plans for all sites by 2027.
- Ensure 100% deforestation-free sourcing of key raw materials and packaging by 2035.
- Double tree cover within and around Granules' facilities by 2030 (baseline FY2024).

8. Governance and Monitoring

- The Sustainability and CSR Committee of the Board will oversee the implementation of this policy.
- The Corporate EHS and Sustainability teams will coordinate biodiversity and afforestation programs.
- Site-level EHS teams will track performance and report progress quarterly.
- Progress against targets will be disclosed through Granules' Sustainability Report.

9. Review and Continuous Improvement

This policy will be reviewed every three years or earlier as needed to reflect emerging biodiversity priorities, regulatory updates, and scientific advancements.

Granules will continue to invest in nature-based solutions that enhance ecosystem resilience, soil health, and carbon sequestration.