



Social Policy

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Our Purpose

Healing Lives responsibly through pioneering green science

1. Introduction

Granules is committed to fostering a positive social impact by promoting inclusive, equitable, and responsible practices across our operations. We recognize the importance of supporting our employees, communities, and stakeholders through fair labor practices, diversity, and community engagement. This policy is aligned with Granules values of " Empowering Communities through Responsible and Inclusive Practices" and serves as a guiding framework for our social initiatives, ensuring that we contribute to the well-being and development of the people and communities we serve.

2. Scope

This policy applies to all operations, processes, and products across Granules, including all manufacturing facilities, offices, and supply chain activities. It covers our responsibilities in managing Occupational health and safety, Diversity, CSR, Skill Development, Working Conditions, Labor Relations, Employee Wellbeing, Child and Forced Labor and Human Rights.

3. Policy

Granules is committed to respecting and promoting human rights throughout its operations and value chain. We strive to create a safe, inclusive, and supportive work environment where every employee and stakeholder is treated with dignity and fairness.

Our commitments include:

- Granules is committed to complying with all relevant rules and regulations, as well as our voluntary commitments, including the
 - UN Global Compact (UNGC) Principles
 - Pharmaceutical Supply Chain Initiative (PSCI) Principles
 - Global Reporting Initiative frameworks
 - United Nations Sustainable Development Goals (UNSDGs)
 - Social Accountability Standard (SA 8000)
 - International Labor Organization (ILO) Conventions
 - Universal Declaration of Human Rights (HDHR)
- **Human Rights:** We ensure fair treatment, non-discrimination, and a safe, inclusive work environment. Through rigorous policies and partnerships, we actively protect and promote human rights, aligning with international standards and fostering a culture of integrity and respect.
- **Health & Safe Workplaces:** We prioritize health and safety through continuous risk assessments, stringent safety protocols, employee training, and proactive incident prevention measures, fostering a culture of safety and well-being across all operations.
- **Fair Working Conditions:** We ensure compliance with labor laws, fair wages, reasonable working hours, and benefits, while promoting open communication on workplace issues. Our commitment fosters a respectful, supportive, and inclusive work environment that values employee well-being.
- **Child and Forced Labor:** Granules is firmly committed to eradicating child and forced labor across all operations and our supply chain. We strictly adhere to international labor standards and laws, ensuring ethical employment practices. Through rigorous monitoring and partnerships, we work to prevent and eliminate all forms of exploitation, promoting human rights and dignity.

- **Freedom of Association:** Committed to upholding the freedom of association for all employees, recognizing their right to join or form trade unions and engage in collective bargaining. We support an open and inclusive workplace where employees can freely express their opinions and collaborate to promote their interests and well-being.
- **Diversity, Equity & Inclusion:** committed to creating a workplace where all individuals, regardless of gender, ethnicity, or background, are valued and empowered. By promoting equal opportunities and eliminating bias, we ensure an inclusive environment that drives innovation and growth.
- **Rights of people with disabilities:** We are committed to ensuring equal opportunities, fair treatment, and an inclusive environment for persons with disabilities. Through supportive policies, workplace accommodations, and awareness initiatives, we uphold their rights, align with international standards, and foster a culture of respect and empowerment.
- **Non-Discrimination:** Dedicated to fostering a diverse and inclusive workplace free from discrimination. We are committed to treating all employees with respect and fairness, regardless of their race, gender, age, religion, sexual orientation, or any other characteristic. Our goal is to promote equal opportunities and create a supportive environment for everyone.
- **Working Hours & Overtime**
We ensure fair and reasonable working hours, adhering to legal standards, with overtime managed responsibly and compensated in compliance with applicable laws to protect employee well-being.
- **Remuneration & Compensation**
We are committed to providing fair, transparent, and competitive remuneration and compensation that reflect employee roles, performance, and market standards, ensuring equal pay for equal work.
- **Working Conditions**
We maintain safe, healthy, and conducive working conditions, continuously improving our facilities and practices to enhance employee comfort, safety, and productivity.
- **Disciplinary Actions**
We uphold a fair, transparent disciplinary process, ensuring all actions are conducted with respect, due process, and alignment with company policies and legal standards.
- **Employee Resignation & Discharges**
We handle resignations and discharges with professionalism and respect, following clear procedures to ensure fairness, transparency, and compliance with applicable laws.
- **Career Development:** Committed to supporting career development for all employees. We provide access to training, mentorship, and growth opportunities to enhance skills and advance careers. By fostering a culture of continuous learning and professional development, we empower our workforce to achieve their full potential and contribute to the company's success.
- **Customer health & Safety:** Committed to ensuring the highest standards of customer health and safety in all our products and services. We prioritize quality and compliance with regulatory requirements, conducting thorough testing and risk assessments. By fostering transparency and open communication, we aim to build trust and provide safe, effective solutions for our customers.

- **Corporate social responsibility (CSR):** Granules is committed to corporate social responsibility (CSR) by actively contributing to the well-being of the communities we serve. We prioritize sustainable practices, support local initiatives, and foster partnerships that drive positive social impact. Through our CSR efforts, we aim to create shared value for both society and our business.

4. Goals & Targets

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| Human Rights | <ul style="list-style-type: none"> • Ensure 100% adherence to internationally recognized human rights standards across all operations. • Conduct annual human rights assessments covering all facilities. |
| Health & Safe Workplaces | <ul style="list-style-type: none"> • Foster a safety-first culture and Target zero workplace fatality • 10% Y-o-Y reduction in the Lost Time Injury Frequency Rate (LTIFR) • Implement comprehensive safety training for 100% of employees and contractors |
| Fair Working Conditions | <ul style="list-style-type: none"> • Ensure fair wages and working hours in compliance with global labor standards across all. • Conduct annual audits to verify compliance and address discrepancies. |
| Child and Forced Labor | <ul style="list-style-type: none"> • Achieve 100% verification through an established age verification system to maintain zero tolerance for child and forced labor across all operations. |
| Freedom of Association | <ul style="list-style-type: none"> • Support and respect employees' rights to collective bargaining and freedom of association. |
| Diversity, Equity & Inclusion | <ul style="list-style-type: none"> • Achieve a 100% increase in women's representation across the organization by 2030 compared to FY24 levels. • Achieve gender pay parity by FY2030 • All plants to be made accessible for physically challenged people • Ensure equal opportunity in selection and promotion |
| Non-Discrimination | <ul style="list-style-type: none"> • Foster a workplace free from discrimination, ensuring equal opportunities for all. • Implement a zero-tolerance policy on discrimination and provide mandatory training for all employees |
| Career Development | <ul style="list-style-type: none"> • Identify mandatory training and ensure 100% compliance • Target to be in the top quartile in the pharmaceutical industry on L&D parameters |
| Customer Health & Safety | <ul style="list-style-type: none"> • Ensure all products meet the highest safety standards and are 100% compliant with regulatory requirements. • Conduct quarterly product safety reviews and implement corrective actions |
| Corporate Social Responsibility (CSR) | <ul style="list-style-type: none"> • Touch 1 million lives through CSR programs by FY2030 • Allocate a minimum of 2% of annual profits towards CSR initiatives, focusing on health, education, and environmental sustainability, with impact reports published annually. |

5. Governance

Granules has established a three-tier governance structure for adequate management of sustainability aspects at various hierarchy of the organization.

Responsibilities:

Tier 1 - Sustainability and CSR Committee at Board level:

Sustainability and CSR Committee is responsible for setting strategic objectives, overseeing performance, and ensuring alignment with our corporate values and goals. The committee will provide leadership and guidance on sustainability initiatives, ensuring they are integrated into our business strategy.

Tier 2 - Management team at the Executive Level

The Management team at the Executive Level will be responsible for implementing sustainability initiatives and driving progress toward established goals.

The team will be responsible for developing the roadmap, execution plans and review the progress and will appraise the same to the Sustainability and CSR Committee. It shall consist of members to manage and coordinate the sustainability process, and strategically guide the Company towards achieving short-, medium-, and long-term targets.

Tier 3 - Execution team at Plant level

Execution team at site level comprised of individuals across various departments who are responsible for implementing specific sustainability projects and initiatives.

The Execution team at site level will be chaired by the respective Plant Heads. The Head of API/FD Operations and the Chief Sustainability Officer will be invited members for the plant level meetings.

This team works closely with management to ensure that sustainability linked targets and projects are executed as per agreed plan. The team is responsible for implementation of the targets and shall regularly review progress against their respective KPIs and update the management team of the progress and bottlenecks, if any.

The plant execution team comprise of nominated members from the Engineering and Project, Procurement and Supply Chain, EHS, HR, Corporate Sustainability team and other departments as and when required.

Plant Level Committees:

At Granules, we have established various plant-level committees to foster a safe, inclusive, and engaging work environment.

- **Internal Complaints Committee (ICC):** Ensures a harassment-free workplace by addressing grievances and promoting a respectful environment.
- **Canteen Committee:** Focuses on employee welfare through the management and improvement of dining services.
- **Works Committee:** Promotes harmonious employer-employee relations, fostering collaboration and understanding.
- **Grievance Committee:** Resolves employee concerns promptly, ensuring a supportive and responsive work culture.
- **Safety Committee:** Maintains high standards of health and safety across all operations, prioritizing employee well-being.

Together, these committees ensure that social governance is deeply embedded in our daily operations, reinforcing our commitment to transparency, employee well-being, and continuous improvement.

6. Transparency

We are dedicated to monitoring and achieving our social objectives by establishing key performance indicators (KPIs). Each KPI will be regularly tracked to ensure thorough evaluation, measure progress, and implement necessary improvements.

The Social Responsibility Committee, reporting to the Board, is responsible for overseeing the implementation of this policy. Progress against social targets is reviewed semi-annually by the Board and quarterly by the executive team. Granules is committed to transparency and will report annually on our social impact, achievements, and progress toward our objectives.

We will communicate our progress through our Annual Report, Social Responsibility Report, and other relevant disclosures. Additionally, we will share our data through platforms that promote transparency and accountability in our social initiatives.

7. Communication

We will actively engage and collaborate with stakeholders, including employees, suppliers, communities, and customers, to promote shared responsibility for our social objectives. Through open and continuous dialogue, we aim to build trust and address the needs and concerns of all affected parties.

8. Review

This policy will be reviewed every 2 years or as needed, to ensure its relevance and alignment with evolving social standards, best practices, and regulatory requirements. The Chief Sustainability Officer will analyse performance data and stakeholder feedback to identify areas for improvement. Granules is committed to continual improvement and will adjust our social strategies in response to emerging trends, insights, and stakeholder feedback.

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