

# ESG SUPPLEMENTARY DISCLOSURE 2025-26

## Piramal Pharma Limited

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## GOVERNANCE AND ECONOMIC DIMENSION

### 1.3 Materiality

#### 1.3.4 Material Issues for External Stakeholders

The Company conducted an assessment of positive and negative impacts on external stakeholders resulting from its business operations, products & services and/or supply chain.

Overview of the Company's material responsible business conduct issues can be accessed on page 18, 19 and 157-160 of its [Sustainability Report FY26](#).

| Particular                     | Material Issue 1                                                                                                                                                                                                                          | Material Issue 2                                                                                                                                                                                                                                                             |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Material Issue                 | Patient Safety and Product Quality                                                                                                                                                                                                        | Climate Change (GHG Emissions)                                                                                                                                                                                                                                               |
| Category of external impact    | Social                                                                                                                                                                                                                                    | Environmental                                                                                                                                                                                                                                                                |
| Cause of the impact            | Products and services                                                                                                                                                                                                                     | Manufacturing operations                                                                                                                                                                                                                                                     |
| Business activity coverage     | More than 50% of business activity                                                                                                                                                                                                        | More than 50% of business activity                                                                                                                                                                                                                                           |
| External stakeholders impacted | Society, Consumers                                                                                                                                                                                                                        | Environment                                                                                                                                                                                                                                                                  |
| Type of impact                 | Positive and Negative                                                                                                                                                                                                                     | Positive and Negative                                                                                                                                                                                                                                                        |
| Topic relevance                | Patient safety and product quality directly influence patient health outcomes, product efficacy, regulatory compliance and stakeholder trust. Failures in product quality can adversely impact patient wellbeing and business continuity. | Climate change impacts arise through greenhouse gas emissions from manufacturing and energy use. Effective emissions management supports the transition to a low-carbon economy, while unmanaged emissions contribute to climate-related environmental and societal impacts. |

#### 1.3.5 Materiality Metrics for External Stakeholders

| Particular       | Material Issue 1                                                                                                                     | Material Issue 2                                                                                                                                                                                                    |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Material Issue   | Patient Safety and Product Quality                                                                                                   | Climate Change (GHG Emissions)                                                                                                                                                                                      |
| Output Metric    | Product quality and safety performance indicators, including product recalls, regulatory inspections and quality management controls | Absolute Scope 1 and Scope 2 greenhouse gas emissions and reduction against FY2022 baseline                                                                                                                         |
| Impact Valuation | Improved patient health outcomes, product reliability, regulatory compliance and stakeholder trust                                   | Reduced climate impact through lower operational emissions and progress toward decarbonization targets                                                                                                              |
| Impact Metric    | 100% of products underwent risk assessment for potential impact on human health and the environment.                                 | Scope 1 emissions: 47,796 tCO <sub>2</sub> e. Scope 2 (market-based): 62,412 tCO <sub>2</sub> e. Combined Scope 1 and 2 emissions: 110,208 tCO <sub>2</sub> e, representing a 22.6% reduction from FY2022 baseline. |

|                  |                                                                                                                                               |                                                                                         |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Nature of Impact | Positive social impact through safe, effective and high-quality pharmaceutical products; potential negative impacts if quality failures occur | Positive environmental impact through emissions reduction and climate change mitigation |
| Relevant SDGs    | SDG 3: Good Health and Well-being                                                                                                             | SDG 7: Affordable and Clean Energy; SDG 13: Climate Action                              |

## ENVIRONMENTAL DIMENSION

### 2.1 Environmental Policy & Management

#### 2.1.2 Environmental Management Systems Verification

| Certification/Audit/Verification                                                                      | Coverage (%) |
|-------------------------------------------------------------------------------------------------------|--------------|
| Third party certification/audit/verification by specialized companies (using ISO 14001 and ISO 45001) | 56.2         |

PPL's 9 sites out of 16 i.e., 56.2% are ISO 14001 and ISO 45001 certified. The Company has a robust EHSMs governance procedure in place. 100% of India sites are internally audited by cross-functional teams from headquarters and sites.

#### 2.1.3 Environmental Violations

There are no fines/penalties levied to the Company in the last four financial years.

|                                                       | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|-------------------------------------------------------|------------|------------|------------|------------|
| Number of violations of legal obligations/regulations | 0          | 0          | 0          | 0          |
| Amount of fines/penalties related to the above (INR)  | 0          | 0          | 0          | 0          |
| Environmental liability accrued to year end           | 0          | 0          | 0          | 0          |

#### 2.3.2 Waste Disposal and 2.3.3 Hazardous Waste

| Waste-management method | Non-hazardous waste (MT) | Hazardous waste (MT) | Total waste (MT) |
|-------------------------|--------------------------|----------------------|------------------|
| Reuse                   | -                        | -                    | -                |
| Recycling               | 9,378                    | 9,234                | 18,612           |
| Landfill                | 134                      | 119                  | 253              |
| Incineration            | 212                      | 638                  | 850              |
| Composting              | 259                      | -                    | 259              |
| Recovery                | 25                       | 5,699                | 5,724            |
| Other disposal methods  | 2                        | 2,166                | 2,168            |
| Co-processing           | 327                      | 647                  | 974              |
| Total                   | 10,337                   | 18,504               | 28,840           |

### 2.7 Product Stewardship

#### 2.7.1 Product Design Criteria

The Company considers environmental criteria in the development of new products and services. These include the following:

| Aspect                                                                                                                                                                                                               | Detailed comments for each aspect                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Choice of raw materials or components that have a lower environmental footprint (e.g. reduced water/energy/material use, increase in renewable raw materials, reduction of hazardous substances and toxic materials) | The Company handles various raw materials and substances due to its business operations. The Company is dedicated to sourcing raw materials from sustainable sources and continuously works to integrate sustainability practices throughout its value chain. The Company prioritises the use of environmentally and socially responsible materials, products, and services that provide high performance, safety, and long-lasting value. The Company also focuses on reducing hazardous materials through process optimisation, this is achieved by redesigning and improving procedures to lower the quantity of hazardous materials required. The Company also recovers and reuses the solvent in the processes through advanced recovery systems. This ensures efficient resource consumption. |
| Direct operations, production & manufacturing (e.g., reduction of emissions/energy/water use/waste generation)                                                                                                       | The Company's objective is to optimise the use of energy resources to achieve efficiency and environmental sustainability. The primary focus is to reduce energy consumption, thereby decreasing operational costs and increasing profitability while meeting the Science Based Targets initiative (SBTi). The Company has aimed to increase renewable energy contribution of overall energy profile across facilities. The Company has implemented a system where high value projects are assessed for energy efficiency carbon impact.                                                                                                                                                                                                                                                            |
| Distribution, storage and transportation (e.g., increased safety, packaging choice, or reduced environmental impact)                                                                                                 | Product tracking is crucial for the Company to ensure regulatory compliance, uphold quality standards, address safety concerns, optimise supply chain operations, prevent counterfeit activities, and improve traceability throughout the supply chain. The Company adheres to current regulations and aims to implement Quick Response (QR) codes or authentication codes on the primary packaging of relevant products, in line with applicable requirements.                                                                                                                                                                                                                                                                                                                                     |
| Use phase - operation and servicing/maintenance (e.g. provides energy/water/material savings, increased product durability)                                                                                          | The Company has identified site wise micro projects and is implementing projects as planned. These projects resulted into Reduction, Reuse and Recovery of water. For more substantial and long-term improvements, the Company has identified several Capex projects requiring investment which include technology absorption and infrastructure upgradation.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| End of life management (e.g., recovery, disposal, biodegradation)                                                                                                                                                    | The Company also focuses on reducing hazardous materials through process optimisation, this is achieved by redesigning and improving procedures to lower the quantity of hazardous materials required. The Company also recovers and reuses the solvent in the processes through advanced recovery systems. This ensures efficient resource consumption.                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### 2.7.3 Exposure to Hazardous Substances

100 % of the Company's products have undergone risk assessment for their potential impact on human health and the environment.

## SOCIAL DIMENSION

### 3.1 Labor Practices

#### 3.1.4 Workforce Breakdown: Gender

The Company has set targets for women in the total workforce as well as for women in leadership/top management positions. The Company promotes gender diversity based on merit and competencies, operationalised through Diversity, Inclusion, Belonging and Accessibility (DIBA) guidelines that support both individual and organisational growth. The efforts yielded tangible results in key metrics related to gender diversity.

| Diversity Indicator                                                    | Percentage | Target % | Target % Year |
|------------------------------------------------------------------------|------------|----------|---------------|
| Share of women in the total workforce                                  | 20.1%      | 20%      | FY'25         |
| Share of women in all management positions                             | 20.5%      | 20%      | FY26          |
| Share of women in junior management positions                          | 20.4%      |          |               |
| Share of women in top management positions                             | 11.3%      | 15%      | FY26          |
| Share of women in management positions in revenue-generating functions | 19%        |          |               |
| Share of women in STEM-related positions                               | 21%        |          |               |

#### 3.1.5 Workforce Breakdown: Race/Ethnicity & Nationality

Firmly rooted in principles of non-discrimination, the Company does not differentiate based on race, colour, religion, caste, gender, age, marital status, disability, nationality, or any other criteria. The Company is not able or allowed to report on ethnic and racial minorities and therefore providing a breakdown based on the country of employment.

| Nationality       | Share in total workforce% | Share in all Management Positions, Including Junior, Middle, and Senior Management (%) |
|-------------------|---------------------------|----------------------------------------------------------------------------------------|
| India             | 77%                       | 75%                                                                                    |
| USA               | 12%                       | 13%                                                                                    |
| UK                | 10%                       | 11%                                                                                    |
| Rest of the World | 1%                        | 1%                                                                                     |

### 3.3 Human Capital Management

#### 3.3.7 Long-Term Incentives for Employees

Band 4 and above employees in Piramal Pharma are eligible to participate in the Long-Term Incentive (LTI) Plan. The LTI Plan is designed as a wealth sharing plan. The LTI for the participating employees will be arrived at on the basis of various factors including, but not limited to the revenue growth of the business during the financial year, with no cap on revenue growth. The Company holds the discretion to eliminate or modify the design of the LTI Plan or quantum of LTI at any point in time without notice. Please note that LTI pay-outs may vary depending on the terms and conditions of the afore-mentioned LTI Plan. Please note that LTI pay-outs under the afore-mentioned LTI Plan are not obligatory and shall be paid solely and exclusively at the option, choice and

discretion of the Company.

### 3.3.8 Employee Support Programs

PPL supports employees with paid parental leave. Eligible primary caregivers are provided 26 weeks of paid maternity leave, while eligible non-primary caregivers are provided 7 days, equivalent to 1 week, of paid paternity leave.

### 3.3.9 Trend of Employee Wellbeing

| Unit                                                                                                        | FY 2026 | Target for FY 2026 was |
|-------------------------------------------------------------------------------------------------------------|---------|------------------------|
| % of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS) | 68%     | 68%                    |
| % of employees who responded to the survey                                                                  | 85%     | 85%                    |

## 3.4 Occupational Health & Safety

### 3.4.2 OHS Programs

The Company has implemented the Piramal EHS Management System (Piramal EHSMS), which includes a focus on Occupational Health and Safety (OHS). Detailed information about this program is available in the [Sustainability Report FY 25-26](#), on page 122. The Piramal EHSMS covers the following key areas:

- OHS risk and hazard assessments to identify potential workplace dangers.
- Prioritization and integration of action plans with measurable targets to mitigate these risks.
- Actions to prepare for and respond to emergencies.
- Evaluation of progress in reducing and preventing health risks in alignment with established targets.
- Conducting internal inspections.
- Procedures to investigate work-related injuries, illnesses, diseases, and incidents.
- OHS training provided to employees and other relevant parties to raise awareness and reduce operational health and safety incidents.
- Integration of OHS criteria into procurement and contractual requirements.

The EHSMS has undergone independent external verification for health, safety, and well-being through various standards, including ISO 45001. Nine of Piramal's global sites are certified under ISO 45001 and 14001.