

3rd October, 2024

BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai- 400 001
BSE scrip code: 543635

National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE symbol: PPLPHARMA

Dear Sir / Madam,

Sub: Sustainability Report of Piramal Pharma Limited ('the Company') for the financial year 2023-24

Please find enclosed herewith a Sustainability Report of the Company for the financial year 2023-24 along with a Press Release in this regard.

The said information is also available on the website of the Company at www.piramalpharma.com.

Request you to please take the above on record.

Yours truly,
For **Piramal Pharma Limited**

Tanya Sanish
Company Secretary
Encl: a/a

Piramal Pharma Limited

CIN: L24297MH2020PLC338592

Registered Office: Gr. Flr. Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400070 India
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piramalpharma.com

Piramal Pharma releases its Sustainability Report for FY 2023-24 under the theme, 'Building Resilience for a Sustainable Tomorrow'

Mumbai, India, October 03, 2024 – Piramal Pharma Limited (PPL) (NSE: PPLPHARMA | BSE: 543635) has released its third independent annual Sustainability Report for the financial year 2023-24, under the theme '*Building Resilience Today for a Sustainable Tomorrow.*' The report highlights Piramal Pharma's approach across four key strategic pillars: Responsible Operations, Business Resilience, Customer Centricity, and Quality & Excellence. These pillars underscore the company's focus on climate action, supply chain responsibility, innovation, and operational excellence, all while ensuring the well-being of its employees and the communities it serves.

PPL is dedicated to 'Operating Responsibly, Growing Sustainably,' with a vision to become a global leader in pharmaceuticals, driven by sustainability, inclusivity, and ethics. PPL's comprehensive strategy integrates sustainability principles across all operations and decision-making, focusing on 12 key areas and 28 material topics, supported by over 50 specific time-bound targets. This framework ensures PPL to effectively manage its sustainability responsibilities and drive meaningful impact across its global operations and value chain.

Nandini Piramal, Chairperson of Piramal Pharma Ltd., said, "*As we advance on our sustainability journey, we are deeply committed to transparency, accountability, and continuous improvement in our business practices. Our latest Sustainability Report not only highlights the milestones we've achieved but also demonstrates our capability to adapt to evolving global standards. By revising our Scope 1 and 2 GHG emissions and energy consumption for FY 2023, we have significantly improved data accuracy, enabling us to assess and manage our environmental footprint. Looking ahead, we remain committed to driving sustainable growth; reinforcing our core purpose of 'Doing Well and Doing Good,' while strengthening our focus on making meaningful, measurable progress toward a more sustainable future.*"

Key Highlights of the Report:

Responsible Operation

- PPL has made substantial progress in its energy efficiency efforts, with a 29% increase in renewable energy consumption. The company is committed to reducing absolute Scope 1 and 2 GHG emissions by 42% and Scope 3 emissions by 25% by FY 2030, using FY 2022 as the base year as validated by the Science Based Targets initiative (SBTi).
- Energy audits were completed at all sites, identifying opportunities for emission reductions through renewable energy sourcing (13%), low-carbon fuel switching (21%), and energy efficiency measures (7%).
- In both India and the UK, 80% of non-hazardous waste was recycled and the company planted 2,440 saplings and implemented 15 water-saving micro-projects in India, resulting in 114 kilolitres of water savings per day.

Business Resilience

- PPL introduced a Sustainable Procurement Policy and revised its Supplier Code of Conduct, ensuring sustainable practices across its supply chain. Initiatives included the rollout of multi-factor authentication for O365 and enhanced data protection protocols for North American sites, as well as conducting Vulnerability Assessment and Penetration Testing (VAPT) scans. PPL continues to invest in a diverse, inclusive, and accessible workplace, with women representing 17.3% of its global workforce, including 72% of new campus hires.

- Through comprehensive safety and health programs, PPL maintains a Lost Time Injury Rate (LTIR) below 0.2 per 200,000 person-days.
- PPL rolled out a sustainability e-learning module for employees, and approximately 200 senior leaders in India participated in Diversity, Inclusion, Belonging, and Accessibility (DIBA) workshops.

Quality & Excellence

- In FY 2024, PPL successfully completed 341 regulatory inspections, including 44 by the U.S. FDA, with no critical observations. Additionally, close to 1,746 customer audits were conducted across global operations.
- Automation has been a key driver of efficiency, with 70% of six major operational excellence KPIs automated across 11 sites. The company introduced 23 new robotic process automation (RPA) processes, bringing the total to 54 live processes.

Customer Centricity

- PPL achieved a customer satisfaction score of 85% for its Contract Development and Manufacturing Organization (CDMO) business and 87% for its Consumer Healthcare (CHG) business. The Net Promoter Scores (NPS) were 57 and 65 for the CDMO and CHG businesses, respectively.

The Sustainability report follows GRI standards and is aligned with SASSB and UNGC frameworks, underscoring PPL's commitment to sustainable growth, responsible capital allocation, and impactful stakeholder engagement. For more information, please refer to the full report available at <https://www.piramalpharma.com/sustainability>.

About Piramal Pharma Ltd:

Piramal Pharma Limited (PPL, NSE: PPLPHARMA | BSE: 543635), offers a portfolio of differentiated products and services through its 17* global development and manufacturing facilities and a global distribution network in over 100 countries. PPL includes Piramal Pharma Solutions (PPS), an integrated contract development and manufacturing organization; Piramal Critical Care (PCC), a complex hospital generics business; and the India Consumer Healthcare business, selling over-the-counter consumer and wellness products. In addition, one of PPL's associate companies, Abbvie Therapeutics India Private Limited, a joint venture between Abbvie and PPL, has emerged as one of the market leaders in the ophthalmology therapy area in the Indian pharma market. Further, PPL has a strategic minority investment in Yapan Bio Private Limited, that operates in the biologics / bio-therapeutics and vaccine segments. In October 2020, PPL received a 20% strategic growth investment from the Carlyle Group.

For more information visit: [Piramal Pharma | LinkedIn](#)

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Investor Relations & Enterprise Risk Management

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*Includes one facility through minority investment in Yapan Bio



Building **Resilience** Today for a **Sustainable** Tomorrow

Piramal Pharma Limited
Sustainability Report 2023-24

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ABOUT THE REPORT

Piramal Pharma Limited ('the Company', 'PPL', 'We', 'Us', 'Our') is pleased to publish its Sustainability Report covering non-financial disclosures from April 1, 2023, to March 31, 2024. This Report presents an in-depth analysis of PPL's performance across Sustainability metrics for the FY 2023-24. It aims to offer stakeholders valuable insights into the Company's strategic direction, achievements, and dedication to fostering resilience for a sustainable future.

Over the past year, PPL has made significant progress towards sustainability targets. The Company has focused on enhancing energy efficiency, reducing carbon footprint, improving resource efficiency, minimising waste, and fostering a safe, healthy, and empowering workplace for employees and workers. The Report outlines various initiatives and projects that PPL has implemented to achieve these objectives.

Basis of Reporting

The Report has been prepared in accordance with Global Reporting Initiatives (GRI) Universal Standards, 2021. The disclosures are compiled across all nine requirements of the Global Reporting Initiatives to report from GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, and GRI 3: Material Topics 2021. The initiatives are also mapped to the United Nations Sustainable Development Goals.

Reporting Period, Scope and Boundary

All data presented is for the reporting period FY 2023-24 (April 1, 2023, to March 31, 2024). The scope and boundary of the Report cover its three business units - Piramal Pharma Solutions (PPS), Piramal Critical Care (PCC), and Consumer Products Division (CPD) having development and manufacturing facilities across India, the United Kingdom and North America.

Materiality

The list of material topics has not changed with respect to the previous reporting periods unless otherwise specified. This Report prioritises sustainability topics identified through in-depth stakeholder discussions and a rigorous materiality assessment. It aims to deliver clear and impactful communication to investors, relevant stakeholders, and anyone interested in its sustainability perspective, impact, and achievements.

Accountability

PPL sustainability disclosures are reviewed and verified internally by cross-functional teams providing management assurance.

Contact Us

PPL maintains open communication channels with its stakeholders and encourages them to contact the Company at ppl.sustainability@piramal.com with


queries, feedback, questions, or comments related to any information disclosed in this Report.

Forward-looking Statement

This Report may contain information about the Company's business activities that could be interpreted as predictions. These predictions, often identified by terms like "believes," "estimates," "anticipates," "expects," "will," "plans," and "outlook," are based on the Company's current understanding based on reasonable assumptions. Various factors, including unforeseen events, risks, and uncertainties, could cause results to differ materially from those implied in forward-looking statements. The Company is not obligated to update or revise these statements considering new information, future developments, or other changing circumstances.

External Assurance

The Report has been assured by DNV Business Assurance India Private Limited. Their assurance statement is annexed with the Report.

 Please see the assurance statement here.

Restatement

In accordance with the GHG Protocol Standard, Scope 1 and 2 GHG emissions and energy consumption for FY 2022-23 have been revised due to improved data accuracy. As a result of this revision, PPL observed an increase in energy consumption, as well as corresponding changes in emission accounting.



Click here for more details
<https://www.piramalpharma.com/>





Building Resilience Today for a Sustainable Tomorrow

Driven by the strategic theme 'Building Resilience Today for a Sustainable Tomorrow', this Report focuses on fortifying its operations to withstand future challenges while prioritising long-term environmental and social impacts. By investing in resilient practices today, PPL lays the groundwork for a sustainable tomorrow. The Company's commitment extends to innovative solutions, adaptive strategies, and responsible stewardship to ensure enduring success and stability. Together, PPL is shaping a future with resilience towards sustainability. The report outlines various initiatives and projects that PPL has implemented to achieve these objectives.

[➤](#) Discover more about our sustainability initiatives on our sustainability page.

NOTABLE ACHIEVEMENTS

Business Resilience

30%
WOMEN REPRESENTATION
ON BOARD

Zero
CASES OF DATA BREACHES

37%
OF CRITICAL SUPPLIERS ASSESSED
ON SUSTAINABILITY CRITERIA

5%
OF SUPPLIERS BY VALUE TARGETED
FOR THE SUPPLIER CAPACITY-BUILDING
PROGRAMME BY FY 2025

Quality and Excellence

36
SUCCESSFUL REGULATORY INSPECTIONS
IN FY 2023-24

4
SUCCESSFUL USFDA INSPECTIONS
IN FY 2023-24

70%
AUTOMATION OF 6 MAJOR OE KPIs ACROSS
11 PPS SITES

Responsible Operations

4.76%
REDUCTION IN SCOPE 1 & 2 EMISSIONS
COMPARED TO BASE YEAR

49%
INCREASE IN RENEWABLE ENERGY
CONSUMPTION

2,39,831 KL
TOTAL WATER SAVINGS DURING THE
REPORTING YEAR

Zero
HAZARDOUS WASTE TO LANDFILL

Stakeholder Centricity

17.3%
OF THE GLOBAL WORKFORCE
ARE WOMEN

61%
EMPLOYEES COVERED UNDER
ESG TRAINING

85%
PPS CUSTOMER SATISFACTION
SCORE

55/100 EcoVadis Score
WITH 60TH PERCENTILE

Economic

17%
EBITDA

₹ 391.22 Cr
PROFIT AFTER TAX

₹ 5.28 Cr
SPENT ON CSR PROJECTS

AWARDS AND ACCOLADES



PPL was honoured as one of the top Sustainable Organisations in the 3rd edition of Times Now Global Sustainability Alliance Sustainable Organisations 2024



PPL was honoured as ET Now's Best Organisation for Women 2024



PPL was honoured as one of the recipients of the Pharma Quality Excellence Awards 2024 by Eminence Business Media on April 26, 2024



PPL received the Continuous Learning Award for the Quality Academy programme and the Quality Innovation Award for the Digital Cockpit initiative

Certifications



Memberships and Commitments



Sustainability Ratings





LEADERSHIP MESSAGE



Nandini Piramal
Chairperson



Peter DeYoung
CEO, Global Pharma

Dear Stakeholders,

We are pleased to present the Company's third Sustainability Report, highlighting actions and milestones, celebrating our successes, and embracing our commitment to move forward sustainably. The theme of this report, 'Building Resilience Today for a Sustainable Tomorrow', highlights our unwavering commitment to creating a future where sustainability is integrated into all aspects of our operations. We at Piramal Pharma believe in creating a robust foundation through collaboration and cross-functional



This year has been a testament to our resolve to operate responsibly while fostering resilience in the face of evolving global challenges. We have made significant strides in advancing our sustainability goals. Our initiatives span energy efficiency, water management, waste management, fostering a diverse and inclusive workplace, and community development."

integration to bring in holistic improvement in the long run.

This year has been a testament to our resolve to operate responsibly while fostering resilience in the face of evolving global challenges. We have made significant strides in advancing our sustainability goals. Our initiatives span energy efficiency, water management, waste management, fostering a diverse and inclusive workplace, and community development. Each of these reflects our core purpose: Doing Well and Doing Good, integrated into our core value of care while we strive to positively impact the health of our patients, customers, and the planet.

We have developed a sustainability framework centred around four strategic pillars: Business Resilience, Quality and Excellence, Responsible Operations, and Stakeholder Centricity. This framework drives our efforts to address critical global challenges such as climate change, resource scarcity, and social equity. To further strengthen our progress, this year's report has received independent assurance. Notably, we were awarded the 'Committed' badge for our EcoVadis score.

Recognising the demand from our customers and the urgency of climate action, we have conducted Scope 3 inventories and taken incremental steps to reduce emissions throughout our value chain. Scope 1 and Scope 2 emissions have decreased by 4.76% from baseline emissions. In FY 2023-24, we achieved 49% increase in renewable energy consumption compared to FY 2022-23, with 9.64% of total energy sourced from bioenergy marking a significant milestone in our decarbonisation journey. We are committed to reduce absolute Scope 1 and Scope 2 emissions by 42% by 2030 from the 2022 baseline and reducing absolute Scope 3 emissions—encompassing purchased goods and services, fuel and energy-related activities, upstream transportation and distribution, and use of sold products—by 25% by 2030. We are also delighted to announce that our GHG emission reduction targets were validated by Science-Based Targets initiative (SBTi) this year.

Our approach to water stewardship and waste management continues to yield positive results. By implementing innovative solutions such as water

recycling, reusing, rainwater harvesting, and conservation projects we saved 2,39,831 KL of freshwater. We are reducing our environmental impact and contributing to the well-being of the communities in which we operate. A key achievement during the reporting year was the successful diversion of hazardous waste from landfills to co-processing and meeting our zero hazardous waste to landfill goal. Additionally, we are committed to achieve 80% recycling of non-hazardous waste. We are also committed to preserving ecosystem around our operations by planting 2,440 saplings and maintaining 33% green belt coverage at our Indian facilities.

People remain at the heart of our sustainability efforts. We continue to invest in our workforce through professional development, health and safety initiatives, and diversity and inclusion programmes. We completed Diversity, Inclusion, Belonging and Accessibility (DIBA) sensitisation workshops for ~200 members of the Indian senior leadership team and provided ESG training to 61% of our employees. We achieved a 13% increase in women representation in our global workforce compared to FY 2022-23. Our Women Excellence programmes are critical steps toward creating a more equitable workplace. We put safety at the forefront and work actively to improve safety culture across our operations through adoptions of safety cultural transformation and excellence projects resulting in 10% improvement in our LTIR performance compared to FY 2022-23 and further strengthening the leading indicators.

We strongly partner and practice sustainable procurement and operations promoting trust, transparency, human rights and ethical code of conduct among our value chain governed by our Sustainable Procurement Policy. Our commitment to supply chain sustainability is demonstrated through

our membership in the Pharmaceutical Supply Chain Initiative (PSCI). In FY 2023-24, we assessed 37% of critical suppliers based on sustainability criteria and provided training and capacity-building programmes to empower suppliers to adopt sustainable practices.

To enhance operational performance, we have focused on digitisation and automation. We completed the Enterprise Data Platform (EDP), migrated all reporting dashboards to a new cloud-based system, and upgraded the regulatory information management system, automating five processes. In response to the global rise in cybersecurity threats, we have implemented advanced encryption methods, multi-factor authentication, and regular security audits. As a result, PPL reported zero data breaches in FY 2023-24, demonstrating the effectiveness of our cybersecurity measures.

We have established a robust quality management framework across all locations, ensuring compliance with evolving regulatory requirements and reinforcing our position as a preferred partner. This framework is strengthened by the QuEST (Quality Empowering Strategic Transformation) programme. In FY 2023-24, we successfully cleared 341 regulatory inspections, including 44 by the USFDA, and 170 customer audits.

We believe in enhancing customer trust and fostering long-term partnerships. In FY 2023-24, we achieved customer satisfaction scores of 85% and 87% for our CDMO and CHG businesses, respectively, and ensured that our products reached a larger audience through traditional distribution channels, e-commerce platforms, and our website, wellify.in.

On the Corporate Social Responsibility (CSR) front, the Piramal Foundation has launched several initiatives to address India's most pressing challenges through innovation and partnership.



We strongly partner and practice sustainable procurement and operations promoting trust, transparency, human rights, ethical code of conduct among our value chain governed by our Sustainable Procurement Policy."

In FY 2023-24, we invested ₹ 5.28 Crores in CSR activities, focusing on health and education in 112 aspirational districts across India, home to over 1.5 Million people living below the poverty line. We also launched the Pehla Qadam programme to empower women in local communities.

Our strong governance and ethical business practices form the foundation of our sustainability agenda. By integrating sustainability criteria into decision-making processes, we ensure responsible and ethical business conduct, enabling us to remain resilient and forward-looking.

We foresee promising growth opportunities across all three of our business verticals and are making strategic investments to strengthen our capabilities and capacities, always keeping sustainability at the forefront.

As we continue this journey, we are deeply grateful for the support and trust of our employees, partners, and stakeholders. Thank you for your ongoing trust and partnership as we work together toward a future that benefits our business, communities, and the environment.

With warm regards,

Nandini Piramal
Chairperson

Peter DeYoung
CEO, Global Pharma

Piramal Pharma Limited (PPL) is a global company, offering a portfolio of differentiated products and services through its 17 development and manufacturing facilities having end-to-end capabilities and a worldwide distribution network in over

100 countries. PPL was incorporated in March 2020, originally as a part of Piramal Enterprises Limited (PEL)—a Company with a track record of building a scalable and differentiated pharmaceutical business. As the pharma business of PEL grew, a scheme

of arrangement was entered into in October 2021 to simplify the group structure and consolidate all pharma businesses under Piramal Pharma Limited. PPL demerged from PEL and listed on BSE and NSE on October 19, 2022.

BUSINESS BLUEPRINT FOR ENRICHING LIVES

With the rise of complex and evolving diseases, prioritising patient well-being is paramount. PPL provides a wide range of solutions across the pharmaceutical business value chain through products and services.

PPL operates under three business verticals: Piramal Pharma Solutions (PPS)

— an integrated Contract Development and Manufacturing Organisation (CDMO); Piramal Critical Care (PCC) — a Complex Hospital Generics (CHG) business; and Consumer Products Division (CPD)— India Consumer Healthcare (ICH) business of selling over-the-counter healthcare and wellness products.

Our affiliate, AbbVie Therapeutics India Private Limited, a JV with AbbVie Inc., holds a prominent position as a market leader in the field of ophthalmology. Additionally, we also have a strategic minority investment of 33.33% in Yapan Bio that operates in the biologics/ bio-therapeutics and vaccine segments.

We stay true to our purpose of

Doing Well and Doing Good

by following three basic tenets:

01 Making a positive difference to the health of our patients and customers through our products and services

02 Serving our patients, customers, consumers, community, employees, partners, stakeholders, and our planet

03 Living our values in our everyday actions, decisions and conduct at a personal and corporate level

CORE VALUE SYSTEM

- | | |
|-------------------------|--------------------|
| Knowledge | Care |
| Expertise | Trusteeship |
| Innovation | Humility |
| Action | Impact |
| Entrepreneurship | Performance |
| Integrity | Resilience |

BUSINESS VERTICALS OF PPL

CDMO Business

Piramal Pharma Solutions (PPS) offers end-to-end integrated CDMO services across the spectrum of the drug life cycle including discovery, development, and commercial manufacturing of drug substances and products. PPS has a global network of development and manufacturing facilities located in North America, UK/Europe and India. Its diverse customer base of over 500 companies includes big pharma companies, emerging biotech companies and generic pharma companies.

CHG Business

Piramal Critical Care (PCC) is one of the leaders in inhaled anaesthetics and a global player in hospital generics. Its product portfolio includes inhalation anaesthetics, intrathecal therapy for spasticity management, injectable pain and anaesthesia drugs, and other generic and specialty products. PCC products are sold in over 100 countries, reaching more than 6,000 hospitals, including surgical centres and veterinary clinics.

ICH Business

India Consumer Healthcare (ICH) business has a diverse portfolio of over 30 OTC products across categories of analgesics, skin care, vitamin/mineral supplement, kids' wellness, digestives, women's health, hygiene and protection. It also has a manufacturing and distribution agreement with Bayer Pharmaceuticals Private Limited for their brands such as Saridon, Supradyn, Becozym and Benadon, among others.



Morpeth, UK

PPL has been capitalising on global growth opportunities. The Company operates 17 state-of-the-art manufacturing facilities in North America, Europe and India. These strategically located facilities enable efficient export capabilities and the flexibility to meet the evolving needs of global customers.

Lexington, USA
Sterile Development and Manufacturing
USFDA, PMDA



Aurora, Canada
API Development and Manufacturing
USFDA, PMDA, Health Canada



Grangemouth, UK
ADC Development and Manufacturing
USFDA, MHRA, PMDA



Digwal, India
API Development & Manufacturing
Anesthesia Manufacturing
USFDA, MHRA, PMDA



Riverview, USA
HPAPI Development and Manufacturing
USFDA, PMDA, Health Canada



Sellersville, USA
Formulation Development and Manufacturing
USFDA, EMA



Morpeth, UK
API and Formulation Manufacturing
USFDA, MHRA, PMDA, Health Canada



Map not to scale.

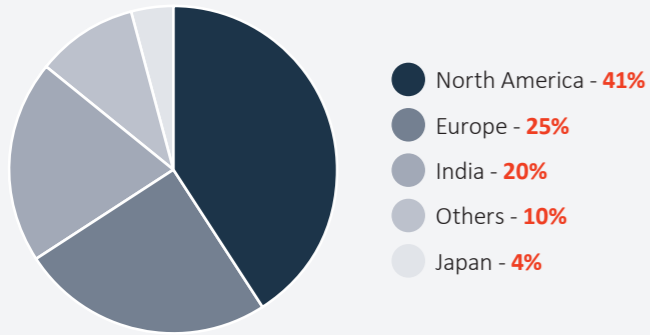
- 1. **Lexington, USA**
Sterile Development and Manufacturing
USFDA, PMDA
- 2. **Riverview, USA**
HPAPI Development and Manufacturing
USFDA, PMDA, Health Canada
- 3. **Aurora, Canada**
API Development and Manufacturing
USFDA, PMDA, Health Canada
- 4. **Sellersville, USA**
Formulation Development and Manufacturing
USFDA, EMA
- 5. **Bethlehem, USA**
Anesthesia Manufacturing
USFDA, MHRA, PMDA

- 6. **Morpeth, UK**
API and Formulation Manufacturing
USFDA, MHRA, PMDA, Health Canada
- 7. **Grangemouth, UK**
ADC Development and Manufacturing
USFDA, MHRA, PMDA
- Shanghai, China**
Sourcing Office
- 8. **Ahmedabad PDS, India**
R&D - Discovery services
- 9. **Ahmedabad PPDS, India**
Formulation Development
EU Finland

- 10. **Pithampur, India**
Formulation Manufacturing
USFDA, EU Finland, ANVISA
- 11. **Dahej, India**
Specialty Fluorochemicals
WHO-GMP
- 12. **Digwal, India**
API Development & Manufacturing
Anesthesia Manufacturing
USFDA, MHRA, PMDA
- 13. **Ennore, India**
API Development and Manufacturing
WHO-GMP

- 14. **Mahad, India**
Vitamins and Minerals Premixes
USFDA, WHO-GMP
- 15. **Turbhe, India**
Peptide API Development and Manufacturing
USFDA, WHO-GMP, EDQM, KFDA, AIFA, Health Canada
- 16. **Rabale, India**
R&D - CPD, PCC, PPS-API and Peptides
- 17. **Thane, India**
Peptide API R&D

Revenue by Geography

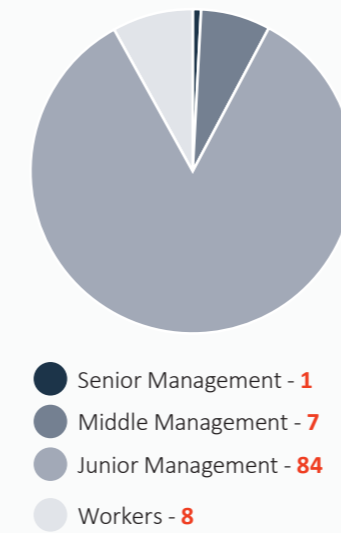


In FY 2023-24, North America accounted for 41% of the total revenue, leading all regions. Europe and India followed, contributing 25% and 20% of the revenue, respectively.

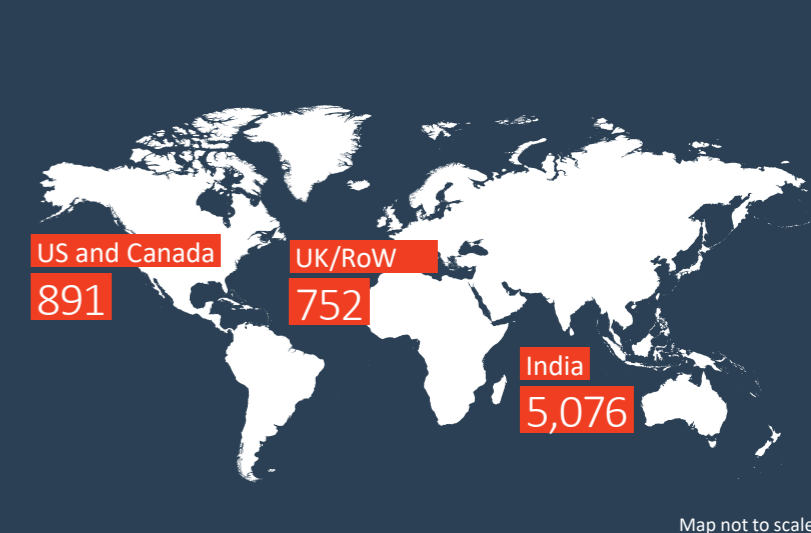
STRATEGIC EXPANSION

The Company is focused on growth by building and expanding its operations and assets to increase its presence in the global market. In FY 2023-24, PPL went live with capacity expansion at Grangemouth facility in the UK to strengthen its presence in the ADC segment. Moreover, PPL is expanding its inhalation anaesthesia capacities at Digwal and Bethlehem facilities to meet the global demand. PPL is also enhancing Key Starting Material (KSM) manufacturing capabilities at Dahej, aiming for a higher level of vertical integration.

Employees by Category



Employees by Geography



PEOPLE, CULTURE AND VALUES

Our diverse and dedicated workforce plays a key role in driving the Company's mission to revolutionise medicine and improve lives. We continue to foster an inclusive and dynamic environment that empowers individuals across all levels.

6,719
TOTAL PERMANENT WORKFORCE

556
PERMANENT WORKERS

2,597
NON-PERMANENT WORKERS

1,089
WOMEN AS PERMANENT EMPLOYEES

6,163
PERMANENT EMPLOYEES

146
NON-PERMANENT WOMEN EMPLOYEES

76%
OF THE WORKFORCE IS BASED IN INDIA

84%
OF EMPLOYEES ARE IN JUNIOR MANAGEMENT

293
NON-PERMANENT EMPLOYEES



We stand committed to sustainability while enhancing everyday health by offering affordable healthcare solutions."

Nitish Bajaj
Chief Executive Officer, CPD

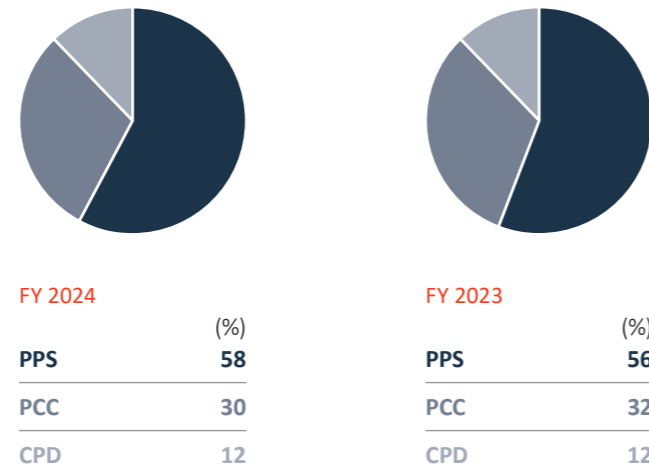
In FY 2023-24, PPL successfully navigated external challenges, achieving a revenue of ₹ 8,171.16 Crores, with 58% of this revenue generated by CDMO business. Revenue from operations grew by 15% YoY, driven by healthy growth in CDMO and ICH businesses. EBITDA margin improved to 17% compared to 12% in FY 2022-23, primarily driven by revenue growth, operating leverage, cost optimisation, and operational excellence initiatives. Notably, there were no significant changes in operations, revenue, or expenditures due to the risks and opportunities presented by climate change.

₹8,171.16 Cr
REVENUE

58%
REVENUE FROM CDMO

15%
YoY GROWTH IN REVENUE FROM OPERATIONS

Business-wise Revenue Highlights



Overall revenue from operations grew by 15%, driven by a substantial influx of new orders, particularly in the PPS business for commercial manufacturing of on-patent molecules, and boosted by the growth in sales of inhalation anaesthesia products within the PCC business.

Economic Value Generated

Economic Value Generated	FY 2024 (₹ Cr)	FY 2023 (₹ Cr)
Revenue from operations	8,171.16	7,081.55
Operating cost	2,954.00	2,703.31
EBITDA	1,371.65	853.34
Net profit	17.82	(186)
Interest payment to providers of credit	461.78	271.04
Payment to government (taxes)	156.84	189
Employee wages and benefits	2,029.50	1,896.35
CSR expenditure	5.28	7.58

Sustainability goals are a series of conscious multipronged interventions with measurable outcomes that are aligned with our core values and earn us the right to do business.”

Vivek Valsaraj
Executive Director and Chief Financial Officer

Key Highlights of FY 2023-24

PPS Business	PCC Business	CPD Business
<ul style="list-style-type: none"> • Healthy revenue growth of 19% YoY driven by substantial order inflows, especially for commercial manufacturing of on-patent molecules 	<ul style="list-style-type: none"> • 7% YoY growth in complex hospital generics • 43% market share in Sevoflurane in the US 	<ul style="list-style-type: none"> • 13% YoY growth in power brands • 150 + new products and SKUs launched in the last three years



PPL is dedicated to conducting business responsibly to achieve long-term sustainability. The Company focuses on minimising sustainability risks and impacts by implementing a robust sustainability framework. This framework was developed to guide PPL in integrating environmental, social, and governance considerations into its business practices, ensuring that sustainability and ethical practices are embedded in all operations. The Sustainability framework is centred on four key pillars: Business Resilience, Quality and Excellence, Responsible Operations and Stakeholder Centricity.

Our Sustainability Strategy

PPL has established a comprehensive sustainability strategy that integrates sustainability principles into all aspects of its operations and decision-making processes.

Central to this strategy are four strategic pillars and 12 key sustainability focus areas addressing 28 material topics, supported by over 50 specific, time-bound targets aimed at achieving significant progress in the near to medium term. PPL's sustainability governance structure includes a dedicated Sustainability and Risk Management Committee led by the Chairperson. This Committee oversees the implementation of sustainability initiatives and monitors performance against set targets. This framework ensures that PPL effectively manages its sustainability responsibilities and drives meaningful impact across its global operations and value chain.



“We’re dedicated to sustainability through thoughtful practices and measurable goals, working together to nurture a healthier future for our people, communities and the planet.”

Michael Teague
Executive Vice President, Global Operations, PCC



Our Sustainability Purpose ‘Operating Responsibly Growing Sustainably’

Our Sustainability Vision

To become a globally leading integrated pharmaceutical company, operating on the principles of sustainability, inclusivity, and ethics.








We have set up a clear organisational structure at the Board and management levels, reallocated capital for sustainable growth, and built capacity through training and tools across the value chain. Working with policymakers, customers, suppliers, and communities ensures we align with PPL's sustainability goals.

PPL prioritises engagement and collaboration with all stakeholders across the value chain, recognising their crucial role in streamlining and boosting organisational efficiency and delivering consistent value. Stakeholders are essential in setting goals and shaping sustainability strategies through materiality assessments. The Company has identified key internal and external stakeholders through analysis of stakeholder groups that could impact or influence the business operations.

PPL engages stakeholders through various mechanisms based on mutual influence and regular communication through multiple channels to address their concerns.



Investors and Shareholders 	Government and Regulators 	Employees 	Patients and Customers 	Industry, Organisations and NGOs 	Community 
<p>Not Identified as Vulnerable and Marginalised Group</p>	<p>Not Identified as Vulnerable and Marginalised Group</p>	<p>Not Identified as Vulnerable and Marginalised Group</p>	<p>Not Identified as Vulnerable and Marginalised Group</p>	<p>Not Identified as Vulnerable and Marginalised Group</p>	<p>Identified as Vulnerable and Marginalised Group</p>
<p>Channels of Communication</p>			<p>Channels of Communication</p>		
<ul style="list-style-type: none"> • Investor calls • Investor presentations • Conferences • One-on-one meetings • Annual reports • Press releases • Company website 	<ul style="list-style-type: none"> • Legal filings • Industry representations • Forums 	<ul style="list-style-type: none"> • Online surveys • Townhalls • Newsletters • Policies • Training and development 	<ul style="list-style-type: none"> • Surveys • Web portals • Performance review • Meetings • Customer meetings • Audits 	<ul style="list-style-type: none"> • Industry forums 	<ul style="list-style-type: none"> • CSR projects • Employee social impact • Awareness programmes
<p>Frequency of Engagement</p>			<p>Frequency of Engagement</p>		
<ul style="list-style-type: none"> • Monthly • Quarterly • Half Yearly • Annually 	<ul style="list-style-type: none"> • Quarterly • Annually 	<ul style="list-style-type: none"> • Monthly • Quarterly • Half Yearly 	<ul style="list-style-type: none"> • Monthly • Half Yearly • Annually 	<ul style="list-style-type: none"> • Need-based 	<ul style="list-style-type: none"> • Continuous • Need-based • Annually
<p>Purpose and Scope of Engagement</p>			<p>Purpose and Scope of Engagement</p>		
<ul style="list-style-type: none"> • Financial performance • Responsible investment • Ethical business conduct • Long-term business growth • Risk management • Corporate governance • Brand management 	<ul style="list-style-type: none"> • Regulatory compliance • Participation in public policy • Corporate governance • Disclosures 	<ul style="list-style-type: none"> • Environment, Health and safety • Training and learning • Career progression • Growth opportunities • Recognition • Job security • Fair remuneration • Diverse, inclusive, and enabling work culture • Work-life balance 	<ul style="list-style-type: none"> • Accessibility and affordability of healthcare • Product quality and safety • Data privacy and security • Value added services • Patient and customer experience • Supply chain management 	<ul style="list-style-type: none"> • Partnership for CSR project implementation 	<ul style="list-style-type: none"> • Contributions for community welfare • Adherence to community expectations and needs

MATERIALITY ASSESSMENT

PPL is committed to prioritising the interests of its stakeholders. The Company employed the materiality assessment approach to engage comprehensively with all stakeholder groups, aiming to understand their primary concerns and areas of focus. In FY 2022, the Company conducted a materiality exercise encompassing critical areas, including the environment, people, human rights, supply chain, governance, community, and economy. The key stakeholders engaged in the assessment were the Company's top leadership, senior management, employees, customers, supply chain partners, and investors. The outcome of this exercise was instrumental in aligning the Company's business strategy, strategic objectives, and long-term plans. These material topics enabled it to pinpoint sustainability risks and opportunities for the Company.



Identify Internal and External Stakeholders

Identify internal and external stakeholders and determine key stakeholder groups relevant to the business operations of PPL



Identify Risks and Business Success Factors

Consult with senior leaders about identifying business risks and success factors for long-term growth



Create a Longlist of Sustainability Topics

Create a laundry list of sustainability topics based on peer benchmarking and referencing with global frameworks and standards such as SASB, CSA, and MSCI



Engage with Stakeholders

- Classify key stakeholders and assess the importance of sustainability topics to the business success of PPL through surveys and interactions
- Understand the significance of each identified topic to stakeholders and PPL as an organisation

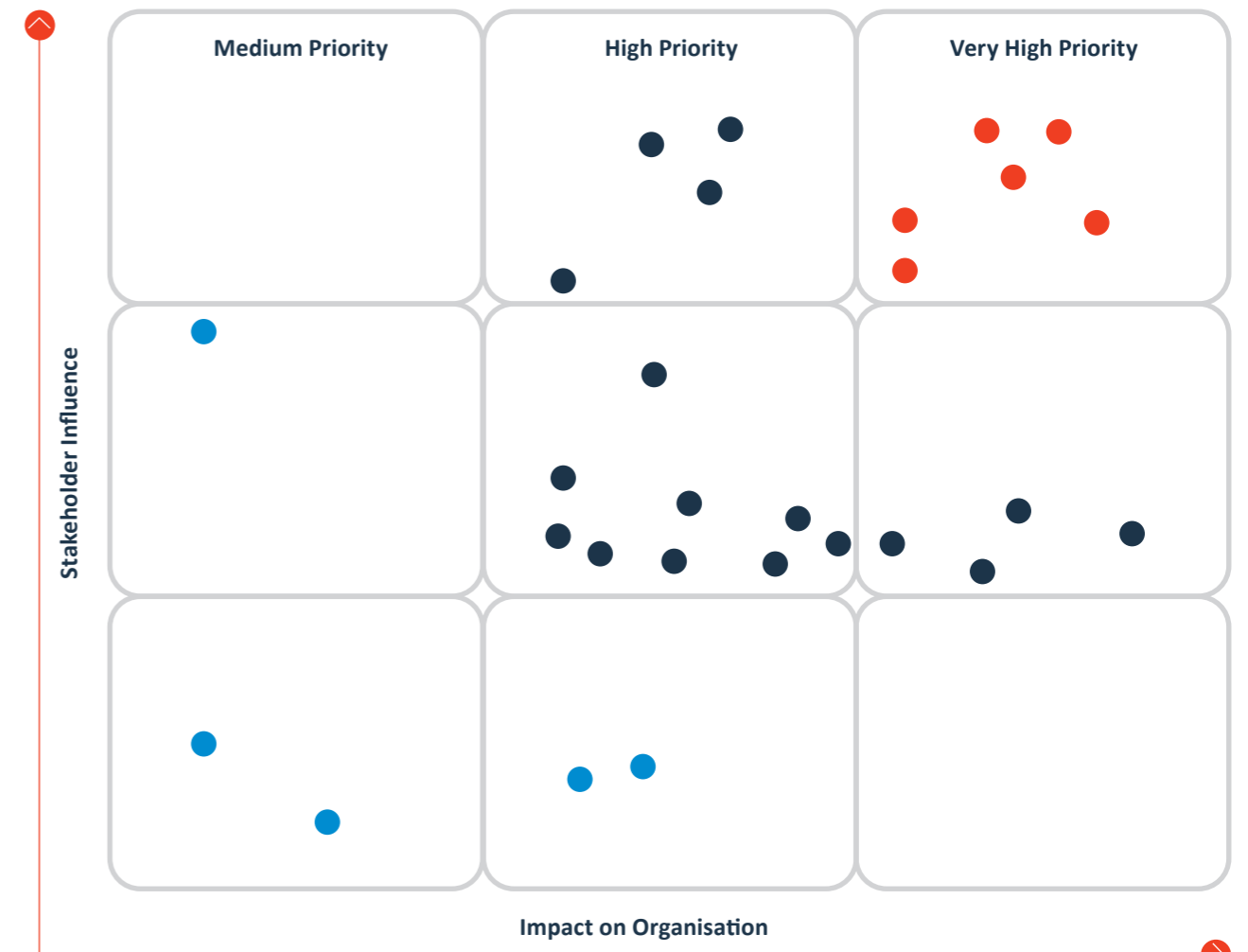


Prioritise Key Sustainability Topics

- Analyse the responses from the surveys and prioritise material topics based on the scores
- Plot a materiality matrix to identify the material sustainability topics

MATERIALITY MATRIX

Based on the comprehensive materiality assessment, a materiality matrix was developed. Material topics were categorised into very high, high, and medium priority levels, allowing the Company to strategically adjust its Corporate focus. The Company mapped these material topics and their associated functions to ensure a meaningful contribution to the relevant United Nations Sustainable Development Goals (UN SDGs).



List of Material Issues

- Business ethics
- Data privacy and data security
- Financial performance
- Patient, customer and consumer centricity
- Product quality and safety
- Regulatory compliance
- Accessibility and affordability
- Asset integrity
- Business continuity and disaster resilience
- Climate action/Climate change
- Corporate governance
- Employee health and safety
- Energy management
- Human capital development
- Operational excellence
- Product sustainability/Stewardship
- R&D and innovation
- Responsible investment (CapEx)
- Risk and opportunity management
- Stakeholder relationship
- Supply chain management
- Technology adoption
- Water and waste management
- Emissions and air quality
- Community development
- Ecosystem and biodiversity
- Human rights
- Product tracking

➤ For more information on our Stakeholder Engagement and Materiality Assessment

BUSINESS RESILIENCE



We are committed to strengthening business resilience through strong governance, ethical practices, and responsible supply chains. Our focus includes increasing independent directorship, women in leadership, workforce training, and advancing sustainability goals aligned with multiple UN SDGs.

FOCUS AREAS

Corporate Governance

- Recorded zero cases of human rights violation
- 100% employees trained on human rights

Business Ethics and Compliance

- Initiated multi-factor authentication for O365 and data protection on non-Piramal asset tools for North America sites
- Vulnerability Assessment and Penetration Testing (VAPT) scans conducted as per schedule

Responsible Supply Chain

- Rolled out Sustainable Procurement Policy and revised the Supplier Code of Conduct
- Rolled out a sustainability e-learning module for employees

UN SDGs IMPACTED



50%

Independent Directors on Board

30%

Women representation on Board

12%

Women in senior leadership roles

100%

Workforce trained on code of conduct

Zero

Corruption incidents reported

CORPORATE GOVERNANCE

At PPL, good governance signifies a commitment to ethics, integrity, accountability and transparency across all business operations. The Company continuously strives for improvement in these areas. PPL believes that good corporate governance is a combination of ensuring compliance with applicable laws and regulations and leading to effective control and better management. This approach is the foundation of creating long-term value for all.

PPL's governance upholds its core values of Knowledge, Action, Care, and Impact. Guided by a highly engaged board and management, the Company views corporate governance as an ongoing journey toward enhancing sustainable value creation, recognising it as an ever-evolving objective.

Guided by Excellence

The Board is comprised of eminent experts with extensive experience in corporate management, science and innovation, public policy, entrepreneurship, pharmaceuticals, public health, finance, economics, technology, banking, risk and governance, human resources, and more. Notably, the Board includes 30% women members, including the Chairperson, exceeding the statutory requirement of having at least one woman on the Board (As per SEBI LODR, top 1000 listed companies are required to have at least one Independent Women Director on the Board).

The Company's Board of Directors adheres to the requirements set out by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, and other applicable laws for PPL as a listed entity. Executive Directors have a tenure of 3 years, while Independent Directors serve for 5 years. Non-Executive Board Members retire by rotation on a yearly basis, with re-appointments proposed in accordance with the Companies Act, 2013.

The Board of Directors (BoD) plays a crucial role in shaping the Company's Vision, Policies, and strategic objectives and overseeing its performance. Recognising climate change as a significant long-term concern, the Board is committed to proactively embracing it. In accordance with requirements, the Board reviews the business plan to ensure alignment with the Company's sustainability goals. Additionally, the Board provides guidance in the development of PPL's policies and mandates their strict implementation to ensure responsible operations that benefit all stakeholders.

The Board of Directors met six times throughout FY 2023-24. The dates for Board meetings are determined in advance. Adequate notice is given to all Directors to attend the Board meetings, while the agenda is sent at least seven days in advance, except in case of urgent business to be transacted by shorter notice.

In the context of the Company's business and activities, the Board has identified that skills/expertise/competencies in the areas of General Management, Science and Innovation, Entrepreneurship, Pharmaceuticals, Public Health, Business Leadership, Strategy, Finance, Mergers and Acquisitions, Economics, Taxation, Legal, Technology, Risk Management, Governance, Human Resources, Marketing and Commercial skills are needed for it to function effectively.

Committees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Sustainability and Risk Management Committee

Chairperson

Member

30%*
WOMEN REPRESENTATION
ON BOARD

12%
WOMEN IN SENIOR
LEADERSHIP ROLES

*Ms. Nathalie Leitch resigned from the position of Non-Executive Director of the Company w.e.f. May 10, 2024.



1 Nandini Piramal
Executive Director,
Chairperson

2 Peter DeYoung
Executive Director,
CEO, Global Pharma

3 Neeraj Bharadwaj
Non-Executive Director

4 S. Ramadorai
Non-Executive,
Independent Director

5 Jairaj Purandare
Non-Executive,
Independent Director

6 Sridhar Gorthi
Non-Executive,
Independent Director

7 Peter Stevenson
Non-Executive,
Independent Director

8 Vibha Paul Rishi
Non-Executive,
Independent Director

9 Vivek Valsaraj
Executive Director,
Chief Financial Officer (CFO)

PPL'S BOARD COMMITTEES

To ensure the effective functioning of the Board, the Company has established various Board-level committees. These committees focus on specific areas and make informed decisions within their delegated authority. Each committee operates with a clearly defined scope and terms of reference that align with regulatory requirements. Their decisions and recommendations are subsequently presented to the Board for either information or approval.

Audit Committee

The Audit Committee oversees the financial reporting process, disclosure of financial information, internal controls, and risk management. It ensures accurate and transparent financial records and compliance with regulations and liaises with external auditors to maintain independence and objectivity.

Corporate Social Responsibility (CSR) Committee

The CSR Committee develops and monitors the Company's CSR policy, ensuring alignment with the Company's Values and Vision. It oversees the implementation and impact of CSR initiatives, engages with stakeholders, and manages CSR budgets.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee oversees the remuneration policies, Board diversity and independence criteria as per Section 149(6) of The Companies Act, 2013. It evaluates Director appointments, oversees performance evaluations, and ensures transparent and fair remuneration aligned with the Company's goals.

Stakeholders' Relationship Committee

The Stakeholders Relationship Committee reviews shareholder grievances to ensure efficient investor services. It monitors communication with shareholders, oversees the registrar and transfer agents, and addresses shares-related issues.



SUSTAINABILITY GOVERNANCE

PPL has established a statutory Sustainability and Risk Management Committee chaired by the Company's Chairperson, guiding the Company's sustainability vision and strategy while overseeing sustainability performance and progress tracking. This committee oversees developing and implementing the sustainability strategy aligned with SDGs and global standards. It guides the Company's sustainability journey, monitors performance against targets, and tracks business risks and opportunities arising from sustainability factors. The committee reviews the Company's performance on external ESG ratings and indices, guiding improvements, and advises

on integrating sustainability risks into Enterprise Risk Management. It conducts half yearly reviews and approves the sustainability strategy concerning material topics and all reported sustainability information. Additionally, it facilitates stakeholder engagement on sustainability matters and monitors emerging sustainability trends to enhance preparedness for mitigating risks and leveraging opportunities.

PPL's ESG policy <https://www.piramal.com/wp-content/uploads/2023/12/7.-ESG-Policy.pdf> acts as a commitment and guides the overall sustainability framework.

Sustainability Governance Structure

Board Governance	Management-level Governance	Working Group
The oversight of sustainability framework is by the Sustainability and Risk Management Committee (a Board Committee). This Committee is chaired by the Chairperson of the Board.	Pharma Executive Council (PEC) and respective Business Executive Committee (EXCOM) meets the Board on periodic basis to appraise on the sustainability performance	Guides policy development
Provides strategic direction and oversight on sustainability matters	Implements Board-approved sustainability strategies and policies, and monitors the sustainability performance	Executes specific sustainability initiatives, and conducts detailed assessments and data collection on sustainability metrics
Ensures alignment of sustainability initiatives with the Company's strategy and goals	Engages with stakeholders to address sustainability concerns and opportunities	Provides regular updates and recommendations to the management

Shaping Responsible Business Practices

PPL's policies prioritise sustainable operations, community improvement and ethical business practices. These policies are crucial for creating long-term stakeholder value and ensuring transparent and consistent reporting of the Company's sustainability initiatives. All the statutory policies are to be approved by the Board or its committee (under delegated authority). This process ensures that all critical decisions are made through a collective and thorough review, maintaining the integrity and accountability of the Company. The policies are applicable to all internal stakeholders. These policies are regularly reviewed and updated to align with evolving best practices and regulatory requirements. The Board policies offer clear guidelines to management, empowering them to make well-informed decisions that benefit the Company and its stakeholders.

PPL's Policies for Responsible Business

- Anti-corruption and Anti-bribery Policy
- Code of Conduct and Ethics
- Corporate Social Responsibility (CSR) Policy

- Environmental, Social, and Governance (ESG) Policy
- Environmental, Health and Safety (EHS) Policy
- Global Diversity, Inclusion, Belonging & Accessibility (DIBA) Guidelines
- Global Human Rights Statement
- Risk Management Policy
- Vigil Mechanism and Whistle Blower Policy

The policies are accessible under the 'Policies, Code & Compliances' tab at <https://www.piramalpharma.com/corporate-governance>

Nomination and Remuneration Process of the Board

PPL has established a comprehensive Remuneration Policy for Directors, Key Managerial Personnel and other employees. This policy outlines fixed components (basic salary, allowances, perks, and retirement benefits) and variable pay structures. The variable pay of executive director is determined by strategic initiatives taken and implemented, their respective roles in the organisation, the fulfilment of their responsibilities and the performance of the Company. Non-executive Directors receive compensation, including sitting fees for meeting participation and a commission based on a percentage

of net profits, subject to shareholder approval and compliance with relevant statutory requirements. The Nomination and Remuneration Committee regularly reviews and updates these policies to ensure relevance.

In FY 2023-24, the ratio between the highest paid individual's total annual compensation and the median employee compensation was 65.00. The highest paid individual's total yearly salary decreases by 17.87% compared to the median 11% increase in the annual total compensation of all employees.

Self-appraisal of the Board

The Nomination and Remuneration Committee conducts regular self-assessments of the Board following SEBI LODR guidelines. In FY 2023-24, 100% of the Board members participated in the session on sustainability initiatives, compliance policies, and risk management. PPL's familiarisation framework for Independent Directors further aims to acquaint them with business plans, industry dynamics, regulatory changes, and other pertinent matters. In FY 2023-24, the familiarisation programme focused on industry impacts, peer performance review, business updates, compliance status, risk assessment, and cybersecurity advancements.



Together, we are building a resilient and sustainable future for people and the planet."

Surinder Gulati

Executive Vice President, Manufacturing (PPS - India API)

BUSINESS ETHICS AND COMPLIANCE

Compliance management at PPL is built on a framework that emphasises strict adherence to rules and regulations while maintaining the highest standards across its facilities and among business partners. The Company has established a comprehensive Code of Conduct for Directors and senior management, reflecting the highest standards of integrity, honesty, and ethical behaviour. This code promotes professionalism, avoids conflicts of interest, ensures compliance, and upholds confidentiality.

Business Ethics and Compliance

We take accountability at every step in our compliance management at PPL. Our framework emphasises strict adherence to rules and regulations while upholding the highest standards across our facilities and with business partners.

Business Ethics

PPL is committed to ethical conduct at the Board level and among all employees. The Code of Conduct provides guidelines to ensure that every decision and action aligns with regulatory standards and embodies PPL's core values. It covers concerns about handling conflicts of interest, anti-bribery and anti-corruption, protection and proper use of assets, animal welfare, product quality, responsible sourcing of minerals, and anti-competitive practices. Employees are encouraged to report potential violations, concerns, or misconduct through the Company's anonymous reporting hotline, 'SpeakUp'.

The Company seeks to conduct business with integrity and comply with all applicable anti-bribery laws and regulations. Robust anti-bribery policies and procedures have been established to prevent and detect any form of bribery or corruption within the organisation. These policies outline a zero-tolerance approach to bribery and guide employees and

directors in identifying and addressing potential risks.

Internal controls and processes have been implemented to monitor compliance and ensure that all business activities are conducted ethically and transparently.

The Company maintains transparency and neutrality in dealings with political parties and government authorities, complying with laws and regulations and properly disclosing interactions.

PPL has established a comprehensive antitrust compliance programme. Employees involved in procurement and commercial activities are expected to adhere strictly to competition laws. This programme includes avoiding agreements or contracts with competitors that could fix prices, allocate markets or customers, or otherwise violate applicable laws.

In FY 2023-24, one instance of non-compliance with laws and regulations, resulting in fines or other non-monetary penalties, was reported.

Business Ethics Training

PPL offers comprehensive compliance awareness training on anti-corruption, conflict of interest, anti-competitive practices and code of conduct covering 100% management and employees. In FY 2023-24, no disciplinary action was taken against Directors, key managerial personnel (KMPs), or employees by any law enforcement agency for anti-

corruption or conflicts of interest, anti-competitive practices and discrimination. Compliance audits are conducted periodically, both internally and by external agencies, to ensure adherence to policies and identify areas for improvement.

PPL has conducted an internal audit/risk assessment concerning business ethics.

Grievance Mechanism

The Company is dedicated to creating a harassment and discrimination free work environment, enforcing a strict zero-tolerance stance against any such behaviour. PPL adheres to the Prevention of Sexual Harassment (POSH) guidelines and has also formed an Internal Complaints Committee (ICC) across sites and locations to promptly handle reported cases.

Additionally, the whistleblower policy provides a mechanism for employees and Directors to report misconduct, establishing a framework for vigilance and detailing procedures for raising concerns about malpractice, irregularities, fraud, unethical conduct, abuse, wrongdoing, or legal violations. Whistleblowers can use the 'Speak Up' portal to report issues, which are then addressed by the Director and senior management and forwarded to the Chairperson of the Audit Committee. Reports are recorded, thoroughly investigated, and reviewed by the Chairperson, who recommends

disciplinary or corrective actions to the Company's management in line with the Company's code of conduct.

Under the Company's code of practices and procedures for fair disclosure of unpublished price sensitive information, complaints related to the leak of Unpublished Price Sensitive Information (UPSI) are addressed to the compliance officer.

Two complaints concerning sexual harassment were received during FY 2023-24. They were handled with the utmost diligence and resolved in accordance with policies and procedures under the Prevention of Sexual Harassment (POSH) Act.

Tax Strategy

PPL is committed to full compliance with all legal and tax-related requirements in the regions where the Company operates. This approach includes all aspects of tax reporting, filings, payments, and conducting audits as required by law. PPL ensures the maintenance of robust documentation to substantiate underlying transactions and fulfil tax obligations.

Tax Governance

Effective tax governance is crucial for mitigating business risks by ensuring compliance with regulations and optimising tax strategies. PPL's proactive approach includes

regular audits and transparent reporting through possible tax automation, which ensures robust tax governance aligned with ethical standards and long-term sustainability goals.

Tax Risk Management Strategy

Effective tax risk management ensures compliance with tax laws while minimising the Company's exposure to risks that could arise from uncertain tax positions. PPL's comprehensive approach includes well-defined policies, strong governance, continuous monitoring, and proactive engagement with various stakeholders, helping it to navigate complex tax environments while protecting its financial and reputational interests.



Sustainability goals are measurable, transparent & backed up by clear actions and a roadmap. Which shapes the 'Why' for our existence."

Debashish Chakravorty

Executive Vice President, Formulations PPS India

ENTERPRISE RISK MANAGEMENT

PPL's independent Enterprise Risk Management (ERM) function focuses on identifying and managing key business, operational, and strategic risks to ensure business sustainability and growth. This is done via regular meetings, structured interviews, on-call discussions, and incident reviews. PPL has a comprehensive Risk Management Policy that outlines its risk management process, principles, and framework that helps manage the risks faced by the Company and its subsidiaries on a continuous basis.

RISK MANAGEMENT PROCESS

The risk management process is essential to our business operations, and involves the following key activities



Risk Identification

This involves recognising the risks that could impact our business objectives. PPL uses a diverse set of tools and methodologies to identify new and emerging risks. These include structured workshops, brainstorming sessions, interviews by the risk coordinator, reviews of loss events, review of documents (such as strategy documents, business reports, etc.). The risks are listed in risk registers maintained by risk coordinators. These registers are reviewed and updated on a yearly basis to monitor the persistence of the risks and the closure of ceased risks.

Risk Assessment

Risks are assessed for their likelihood and impact on the business. Both aspects are graded on a scale of one through five, with one being least likely and least impactful, five being most likely and most impactful. The scores are combined to give a final declaration, based on which the risks are respectively prioritised.

Risk Treatment/Mitigation

Multiple treatment options are considered based on the nature of the risk. These can range from risk avoidance, acceptance, and reduction to risk transfer.

● Avoidance

- Risk avoidance may involve exiting a product line or declining expansion into a new geographical market

● Acceptance

- No action is taken to mitigate the risk or reduce its likelihood or impact. This approach is used when the cost of reducing exposure is higher than the benefit gained from lowering the risk

● Reduction

- Developing mitigation plans and implementing them to reduce the risk exposure

● Transfer

- Includes purchasing insurance products, engaging in hedging transactions, or outsourcing an activity

● Category ● Risk Response

Risk Review/Closure

Regular reviews are conducted to ensure that the mitigation plans remain relevant to the evolving business and regulatory needs. The risk coordinator reviews the risk registers and risk profile of the critical risks every year to ensure the action plans are relevant and on track. The risks that are either mitigated or are not relevant in the current situation are closed after proper approval from the business head and Chief Risk Officer (CRO) to maintain reliability in the risk management process.

Risk Governance

PPL has established a three-tier risk governance structure for effective oversight of the risk management process. Leading the structure is our Board of Directors, responsible for reviewing and approving the risk management process and policy as well as providing guidance to the executive management. At the second level is the Sustainability and Risk Management Committee which oversees the risk management process and reviews the risk reports presented by the management. At the bottom tier is the CRO who is responsible for the effective execution of the risk management process across businesses in collaboration with business heads and risk coordinators. The CRO is also responsible for providing oversight and reviewing the risk management framework.



Major Risks and Mitigating Actions

Potential Risks	Potential Impact	Mitigation Strategies
Biotech funding environment	Continued stress in the biotech funding environment could result in lower Contract Development and Manufacturing Organisation (CDMO) orders (especially early-stage orders in discovery and development segments) or order deferment due to delays in decision-making by the customers	PPL has a diversified customer base that includes a balanced mix of large pharmaceutical companies, emerging biotech companies, and generic pharmaceutical companies The Company has strengthened the business development team to reach out to more customers supported by a robust pipeline of products in various stages of development
Global supply chain disturbance	Geopolitical issues could lead to supply chain disruptions resulting in higher supply chain costs, delays in the delivery of raw materials and finished goods, and increased working capital requirements to accommodate the higher inventory and transit time Moreover, restricted sales to countries embroiled in geopolitical issues could impede revenue growth	PPL continuously monitors the geopolitical situation worldwide and identifies the potential impact on the supply chain. To mitigate the issues caused by increased transit times due to longer routes and the unavailability of containers, the Company modified the inventory levels and production/sourcing schedules as necessary

Major Risks and Mitigating Actions

Potential Risks	Potential Impact	Mitigation Strategies
Customer and product concentration risk	Customer concentration: PPL has large contracts with a few customers. Any setback from them may adversely affect the financial situation	PPL's business development team proactively seeks to broaden the customer base and expand the product offerings to minimise concentration risk
	Product concentration: A few products have high margins. A drop in sales of these products can adversely impact overall Company margins	The Company is also building a pipeline of products which are in various stages of development to reduce product concentration risk
Site concentration risk	Manufacturing and development sites could contribute significantly to revenues and profit, but disruptions at these critical sites may significantly impact PPL's financial performance	PPL has 17 globally diversified development and manufacturing facilities across India, the UK and North America. With healthy order inflows and strong execution across most of these facilities, the Company can reduce site concentration risk
Clinical or regulatory attrition risk	In the CDMO business, as the customer's molecule moves from discovery to development to the commercial manufacturing phase, there could be a high clinical or regulatory attrition rate because of which the molecule could fail and not move to the next stage of development or manufacturing	While this is an inherent risk in innovation-related work, a strong pipeline of orders can ensure reduced impact caused by clinical or regulatory failures. Currently, PPL have more than 150 molecules across multiple phases of development in the pipeline and is looking to build it further
Third-party manufacturing and quality risk	Non-compliance with quality and regulations by third-party vendors engaged in manufacturing and supplying raw materials, packaging materials, and finished goods could lead to product claims or recalls, resulting in a loss of reputation for the Company Furthermore, any disruption or delay in manufacturing on the vendor side could lead to supply chain issues	PPL conducts regular vendor audits to ensure they adhere to quality and compliance norms PPL is actively seeking to include alternate vendors in the supply chain network to reduce dependence on select vendors for critical supplies
Manufacturing and site interruption risk	Frequent machinery breakdowns, ageing sites and equipment, and inadequate maintenance procedures could result in production loss or interruption	PPL lists all assets along with performance trends, lifecycle, and plans for equipment replacement The Company also works towards equipment refurbishment through its OEM (Original Equipment Manufacturer) to extend its life span. The quality of the current preventive maintenance is assessed, on a regular basis and a five-year plan for maintenance and replacement with appropriate prioritisation based on risk and impact is generated

Potential Risks	Potential Impact	Mitigation Strategies
Talent acquisition and retention risk	Human capital is an important pillar for PPL's growth, thus making it imperative for the Company to attract and retain quality talent High attrition rates could harm performance	Employee retention is attained through several learning and skill development programmes, employee engagement initiatives and rewards and recognition programmes
Environment risk	PPL recognise the importance of protecting the environment and is committed to conserving the natural resources. any non-adherence to laws and regulations could expose us to adverse consequences	PPL has adopted the 5R principle of Reduce, Reuse, Recover, Recycle, and Rethink to manage natural resources. Multiple sustainability initiatives are underway in the areas of water conservation, water reuse and recycling, and carbon footprint reduction The Company has dedicated environment, health and safety (EHS) practices and procedures in place
IT and cyber risk	Cyberattacks, viruses and malware on IT and OT systems can adversely impact PPL's operations AI-driven fraud, such as phishing emails and deep fakes, can also cause data breaches, financial loss, and reputational loss	PPL relies on antivirus, anti-spyware protection, and firewalls to protect against any possible breach and build a robust cybersecurity framework. PPL uses remote data backups and the latest software through secured computers and servers to mitigate any technology risk
Capex project management risk	Delays in completing the projects, clinical/regulatory attritions, lower orders, and site execution issues could lead to lower-than-expected Internal Rate of Return (IRR) on the capex projects	PPL has made significant investments in capacity expansion and capability building PPL continuously monitors capex projects to ensure that they are completed on time PPL tries to ensure healthy order inflows and robust execution, to maintain a healthy IRR on capex projects

Sustainability Risks and Opportunities

By integrating sustainability criteria into its decision-making processes, PPL ensures responsible and ethical business practices. It actively engages with stakeholders, cultivates diverse and inclusive workplaces, and maintains the highest standards of governance. This comprehensive approach not

only reduces risks but also promotes long-term value creation, resilience, and positive societal impact. The Company has identified the risks and opportunities related to its prioritised material topics and has developed strategies to adapt or mitigate these risks while capitalising on the opportunities.

Risk Culture

A robust risk culture is driven by employee cooperation. Workers engage in risk management through targeted training initiatives that enhance their skills and experience. PPL promotes this culture by encouraging continuous improvement via structured employee feedback.

DATA PROTECTION AND CYBER SECURITY

The increasing prevalence of digitalisation has led to a rise in cybersecurity breaches worldwide. At PPL, a robust cybersecurity system has been established to mitigate risks, ensure compliance, and protect critical assets. The Company has implemented advanced encryption methods, multi-factor authentication, and regular security audits to safeguard its data. As a result, PPL reported zero data breaches in FY 2023-24, demonstrating the effectiveness of its cybersecurity measures.

Zero
CASES OF DATA BREACHES

Zero
INFORMATION SECURITY-RELATED INCIDENTS INCLUDING CUSTOMER DATA

Information Security Management

PPL has implemented a robust cybersecurity framework to mitigate risks, ensure compliance, and protect critical assets. This framework includes policies and procedures, risk management, advanced security technologies, security controls, compliance and governance, awareness initiatives, and incident response preparedness. The Company values privacy and commits to protecting personal information and ensuring its secure handling. The privacy policy outlines the guidelines for collecting, using, sharing, disclosing, transferring, and disposing personal data via the Company's digital platforms. As per the policy, personal data, including sensitive information, may be collected as needed, with explicit consent obtained where necessary. The Company may share data with third parties, ensuring protection measures are in place. Information is retained only as long as necessary and disposed of securely. The Company uses cookies for website functionality and collects visitor data for statistical purposes. It ensures reasonable security measures and offers privacy rights, including data access, correction, and deletion.



PPL's Investments in Cybersecurity Initiatives

- Advanced security detection and prevention technologies
- Security monitoring and threat intelligence
- Cloud security
- Third-party risk management
- Cybersecurity awareness programmes

The Company emphasises that digital security and data privacy are collective responsibilities. To promote awareness, it implements various initiatives, including mandatory gamified online training programmes on cybersecurity awareness for all employees. Additionally, Piramal Information Security conducts phishing assessments and cyber quizzes to evaluate digital

awareness among staff. Regular updates are provided through periodic emails, newsletters, and posters to keep employees informed about the latest trends and issues in information security and cybersecurity.

The Company initiated multi-factor authentication for O365 and data protection on non-Piramal asset tools, as well as multi-factor authentication for VPN access for some sites to maintain its record. PPL also conducted a Vulnerability Assessment and Penetration Testing (VAPT) across its IT infrastructure, with findings addressed through necessary actions.

Information Security Governance

Information and cybersecurity updates are presented to PPL's Board every six months, ensuring alignment with evolving security standards. In addition, quarterly review meetings are held with the Chairperson to assess ongoing initiatives and address any challenges. Business Heads also participate in quarterly review meetings to ensure their departments meet security objectives. Furthermore, updates are provided to the PPL Executive Committee every six months, reinforcing the organisation's commitment to maintaining robust security measures across all levels of operation. These regular meetings are integral to sustaining a proactive and secure business environment.

RESPONSIBLE SUPPLY CHAIN

As the Company continues to grow and diversify, PPL acknowledges the critical importance of a resilient supply chain in delivering consistent service and adapting to unforeseen challenges while upholding high-quality standards. PPL is committed to responsible supply chain management, which is embedded in its Supplier Code of Conduct. This code enforces ethical practices and transparency throughout the value chain, encompassing fair labour conditions, respect for human rights, and environmental responsibility.

GEOGRAPHICAL DISTRIBUTION OF SUPPLIERS

In FY 2023-24, we partnered with 1,795 MSME suppliers, contributing to 10.89% of the total goods and services expenditure. We are dedicated to promote sustainable growth by actively collaborating with Micro, Small, and Medium Enterprises (MSMEs). Our partnerships with these businesses support local economies and align with our sustainability goals, fostering inclusive and responsible sourcing practices.



De-carbonisation of supply chain is embedded in all offerings to our customers through a robust sustainable supply chain policy.”

Nihar Medh

Senior Vice President and Global Head Supply Chain PPS



RM Warehouse, Digwal, India

SUSTAINABLE SUPPLY CHAIN FRAMEWORK

PPL provides its customers and patients with prompt, high-quality supplies. A resilient, sustainable supply chain ensures accessible and affordable services through its flexibility to adapt quickly. PPL's sustainable supply chain framework emphasises responsible sourcing and ensures sustainability across the entire value chain, maintaining high standards in every aspect of its operations. The Sustainable Procurement Policy governs the implementation of a sustainable supply chain framework.

Key Elements of Sustainable Supply Chain Framework

- **Commitment:** Sustainable Procurement Policy
- **Guiding Principle:** Supplier Code of Conduct
- **Supplier Screening:** Identification on strategic suppliers
- **Supplier Assessment:** Assess the suppliers through self-assessment questionnaire
- **Supplier Education:** Capacity building for strategic suppliers
- **Supplier Evaluation:** Evaluate suppliers through external and internal audits in line with PSCI
- **Supplier Monitoring:** Continuous monitoring of the supplier's performance

At PPL, the importance of sustainable procurement for ensuring business continuity is well recognised, especially due to the Company's heavy reliance on raw materials for production. PPL prioritises partnerships with suppliers, service providers and subcontractors that align with its policy requirements covering four key aspects: climate and environment, labour and human rights, sustainable procurement, and business ethics and integrity. In FY 2023-24, PPL achieved the procurement of 100% Responsible Sustainable Palm Oil (RSPO) certified palm oil, 100% SA8000 certified soybean oil, and 82% SA8000 certified groundnut oil.

The Company believes in adopting responsible supply chain practices and has demonstrated its intent by signing up for the Pharmaceutical Supply Chain



Warehouse, Digwal, India

Initiative (PSCI) membership. In this endeavour, it will adhere to the norms prescribed by PSCI. PPL plans to conduct a PSCI vendor audit soon.

In FY 2023-24, PPL revised the supplier code of conduct to include the pillars of sustainability - responsible labour practices, upholding human rights, ethical business conduct and environmental protection.

Supplier Screening

PPL has a comprehensive supplier screening process that rigorously evaluates potential partners to ensure they adhere to the highest standards of environmental, social, and governance. PPL assess suppliers on their adherence to ethical labour practices, their commitment to reducing environmental impact, and their overall sustainability performance. By integrating sustainability criteria into supplier selection process, PPL aims to foster a

supply chain that aligns with corporate values and drives positive change across the industry. Continuous monitoring and feedback mechanisms further ensure that PPL suppliers uphold these standards consistently. This approach not only enhances PPL's sustainability goals but also contributes to a more responsible and resilient supply chain.

- 37%** OF CRITICAL SUPPLIERS ASSESSED ON SUSTAINABILITY CRITERIA
- 100%** OF THE SUPPLIERS ARE GOVERNED BY THE SUPPLIER CODE OF CONDUCT
- 5%** OF SUPPLIERS BY VALUE TARGETED FOR THE SUPPLIER CAPACITY-BUILDING PROGRAMME BY FY 2025



Supplier Assessment

PPL assesses strategic suppliers through a self-assessment questionnaire. This questionnaire helps to gather essential information necessary for the long-term sustainable growth of both PPL and its supplier ecosystem. The Company is in the process of revising the self-assessment questionnaire to disclose information on the following:

Environment

- GHG inventorisation Scope 1 and Scope 2 emissions
- Percentage of green energy sourced
- Waste and water management practices

Human and labour rights

- Human rights protection
- Child and forced labour prevention
- Prisoner labours
- Migratory labour
- POSH complaints
- Anti-corruption/anti-bribery compliances
- Health and safety practices
- Whistle blower mechanism

Sustainable procurement

- Procurement of certified palm oil
- Ensuring traceability of all raw materials
- Safety training
- Procedure to monitor continuous improvement

Business integrity and ethics

- Data privacy and security
- Animal welfare
- Compliance with local regulations

In FY 2023-24, PPL launched a self-assessment questionnaire for its critical suppliers. Moving forward, PPL plans to screen and assess a significant portion of its critical suppliers by FY 2025 and implement capacity-building programmes to support supplier development.

TRAINING AND CAPACITY-BUILDING OF SUPPLIERS

In FY 2023-24, PPL organised vendor meets across three sites in India. These meetings aimed to underscore the significance of sustainability within the supply chain. The Company focused on raising awareness about PPL's sustainable supply chain framework and outlining expectations for suppliers. Through these initiatives, PPL encouraged participants to integrate sustainable practices into their operations. The sessions also facilitated knowledge sharing, empowering suppliers to adopt sustainable strategies and drive meaningful initiatives towards responsible supply chain management.

Training and Capacity-building of Buyers

PPL recognises the pivotal role of its procurement team in advancing sustainability efforts. PPL conducted refresher training sessions on sustainability topics to empower buyers to make sustainable decisions through an e-learning module in FY 2023-24. This training encompassed the benefits of integrating sustainability considerations into procurement practices and guided incorporation of sustainability criteria throughout supplier selection, evaluation, and contracting processes. The initiative aimed to equip the team with the knowledge and tools to drive sustainability-related initiatives and contribute to the organisation's broader sustainability objectives.

De-risking Supply Chains

To de-risk the supply chain, PPL vigilantly monitors global geopolitical developments to assess its potential impact on operations. PPL addresses challenges such as extended transit times and container shortages by adjusting inventory levels and production or sourcing schedules as needed. Regular vendor audits are conducted to ensure adherence to quality and compliance standards. Additionally, PPL actively seek to diversify vendor network, reducing



reliance on any single supplier for critical materials. This proactive approach strengthens the supply chain resilience and enhances operational stability.

Digitalisation of Supply Chain

In the Continuing Professional Development (CPD) business, strategic partnerships with Third-Party Logistics (3PL) providers facilitate rapid global product launches, reducing time-to-market and allowing a concentrated focus on manufacturing and customer service. These partnerships enable daily inventory data to be automatically integrated into the core systems, improving accuracy and saving significant person hours previously spent on manual data reconciliation within the Enterprise Risk Programme (ERP) system.

Responsible Mineral Sourcing

PPL is committed to responsible mineral sourcing by maintaining processes and procedures to track and report the presence or use of conflict minerals (including tantalum, tin, tungsten, and gold) in parts, components, or materials.

Animal Testing

Per prevailing local laws for animal welfare, PPL emphasises that animal testing should be conducted only after considering alternatives to replacing animals, reducing the number of animals used, or refining procedures to minimise distress. Whenever scientifically valid and acceptable to regulators, PPL shall utilise alternatives to animal testing.

QUALITY AND EXCELLENCE



In FY 2023-24, we focused on driving operational excellence, advancing technology and automation, and ensuring product excellence. Key initiatives included MIS digitalisation, enhanced technology adoption, improved product quality, and maintaining exceptional regulatory and pharmacovigilance standards.

FOCUS AREAS

Product Excellence

- Successfully cleared 341 regulatory inspections (including 44 US FDA inspections) and close to 1,746 customer audits since 2011
- There were no critical observations in any of the regulatory inspections in FY 2023-24

Technology and Automation

- Optimising the allocation of resources towards inventory maintenance by utilising advanced data science and predictive analytics
- Robotic Process Automation 23 RPA processes went live in FY 2023-24; 54 processes live in totals

Operational Excellence

- Achieved 70% automation of 6 Major OE KPIs across 11 PPS sites

36

Successful completion of regulatory inspections in FY 2023-24

172

Customer audits in FY 2023-24

4

Successful United States Food and Drug Administration (USFDA) inspections in FY 2023-24

Zero

Official action indicated (OAI) since 2011

UN SDGs IMPACTED

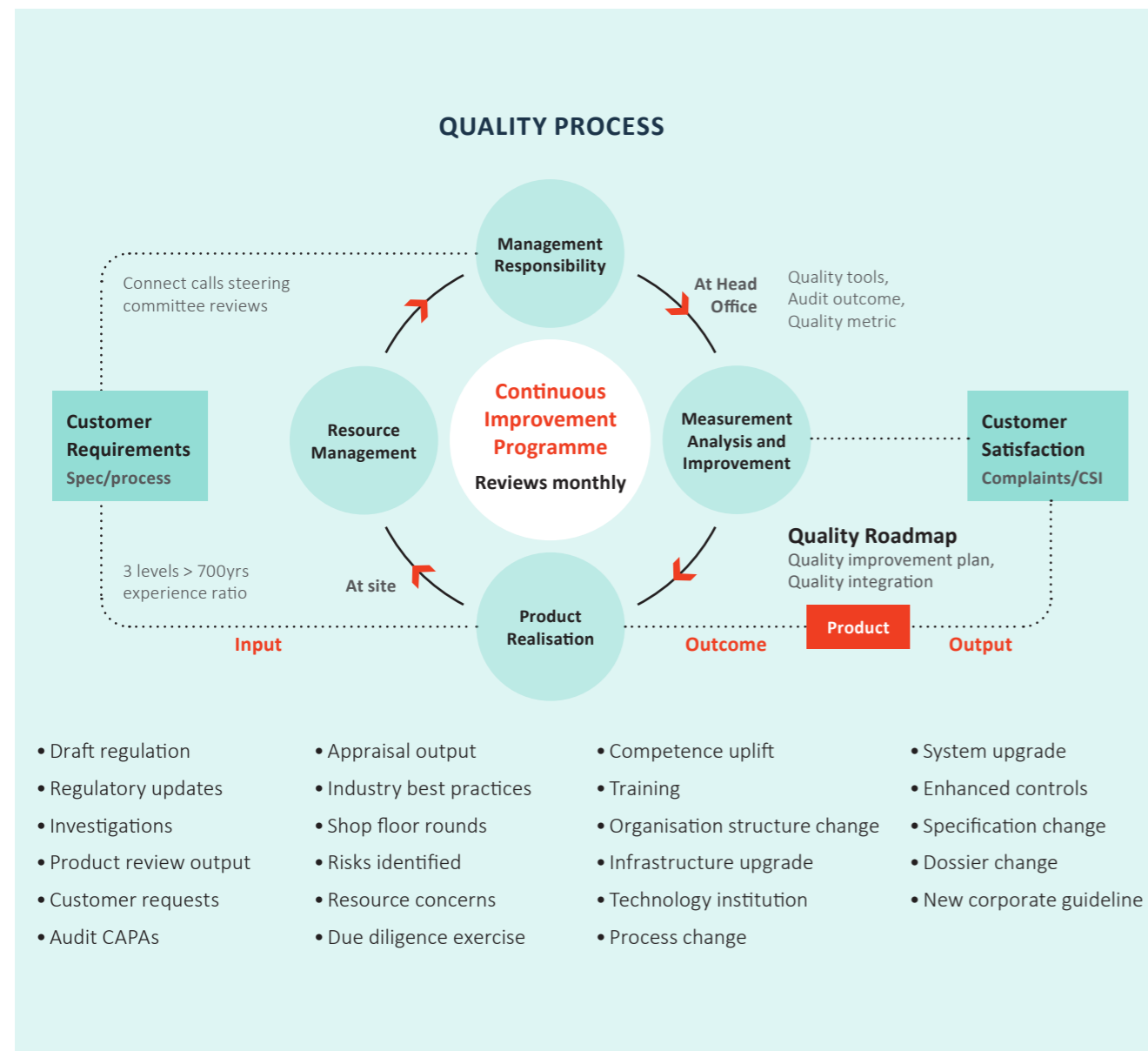


PRODUCT EXCELLENCE

PPL strives for product excellence by integrating stringent quality standards, innovative practices, and a deep commitment to customer satisfaction. This comprehensive strategy ensures that every product meets regulatory requirements and exceeds customer expectations in terms of safety, efficacy, and reliability.

PRODUCT QUALITY AND SAFETY

PPL has established a robust quality model that spans all global locations and encompasses its entire workforce. Guided by a top-level policy, this model outlines clear quality procedures and processes, which are regularly reviewed and updated to ensure continuous improvement and adaptability to evolving business and regulatory demands. The Company's exceptional quality and compliance record reflects its commitment to integrating sustainability with its business objectives.



Quality Management System

Quality lies at the core of everything that PPL does. The Company's stringent focus on quality upholds customer trust by consistently delivering dependable products to PPL's clients, patients, and consumers, thereby strengthening the brand reputation. PPL's success is rooted in a robust quality function as the Company focuses on evolving from 'quality for compliance' to 'quality as a culture' across systems, processes, technology, and people.

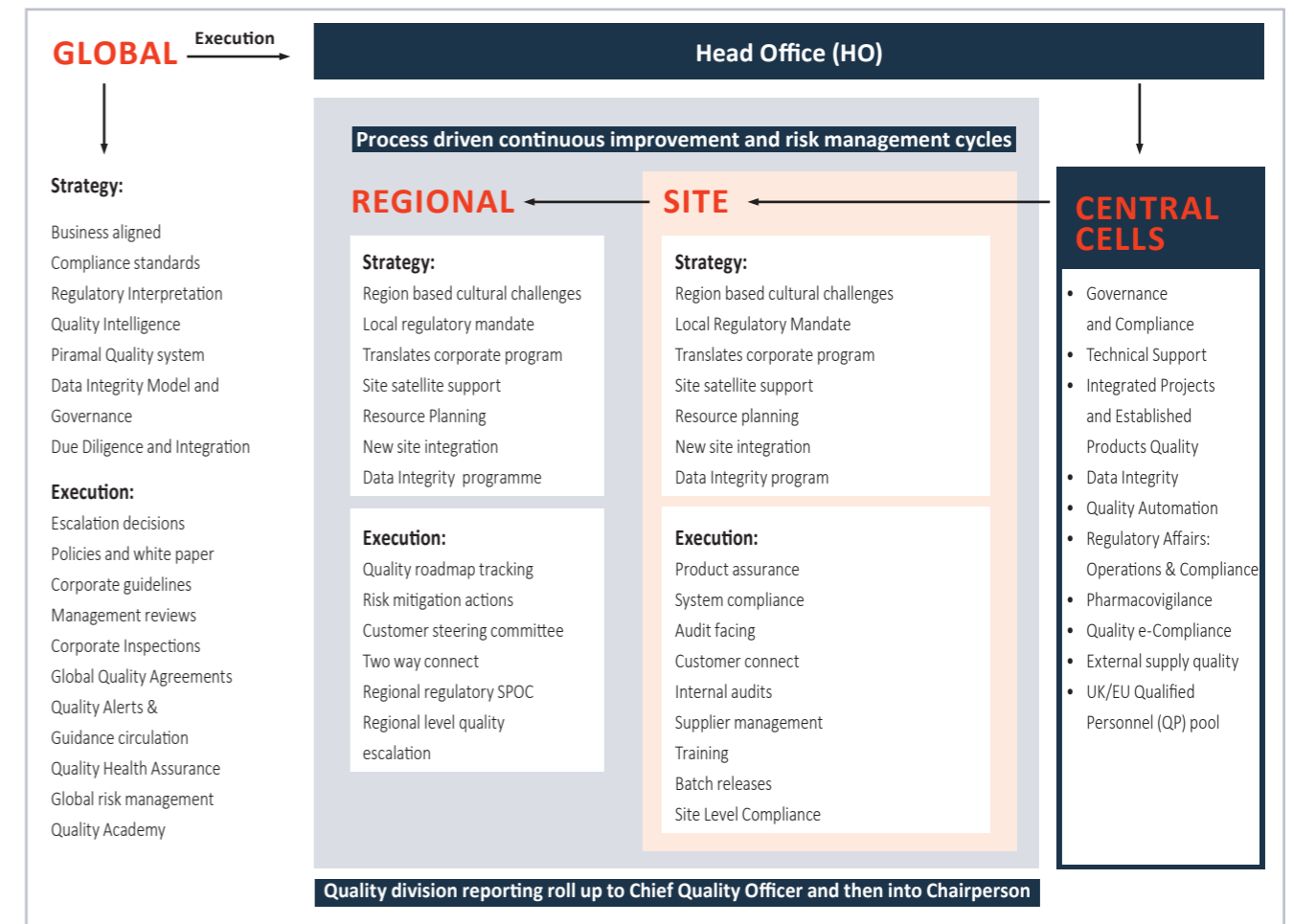
PPL's quality strategy is guided by a top-level policy that has defined quality procedures and processes. This policy

is reviewed regularly and refined to ensure continuous improvement and alignment with evolving business needs and regulatory changes. A high-level policy document governs the quality procedures, fostering a quality culture and ensuring data integrity and scalable compliance. The Company's best-in-class quality track record aligns with the business and sustainability objectives. In addition to manufacturing and quality compliance, PPL focuses on post-marketing pharmacovigilance to uphold the patient safety element in the products. The regulatory services and

pharmacovigilance team manages this, which has considerable experience in filing regulatory applications, receiving approvals, and monitoring post-marketing safety.

PPL has created a multi-faceted, three-tier quality model implemented across all the sites and for all employees globally.

Three-tier Quality Model



Quality Architecture

Through a robust system and process mechanism, PPL implements a dynamic quality management framework across all locations. These frameworks ensure compliance with evolving regulations while positioning the Company as a quality leader and preferred customer partner. Strengthening the quality management system is an ongoing process implemented through the 'QuEST' (Quality Empowering Strategic Transformation) programme.

Compliance with international regulatory standards is a cornerstone of PPL's Quality Management System (QMS). The Company ensures that all its manufacturing facilities adheres to Good Manufacturing Practices (GMP) and other relevant guidelines. Regular audits and inspections are conducted to maintain compliance and identify areas for improvement. PPL's commitment to regulatory adherence not only ensures the safety and reliability of its products but also reinforces its reputation as a trusted pharmaceutical provider.

36
SUCCESSFUL REGULATORY INSPECTIONS IN FY 2023-24

4
SUCCESSFUL USFDA INSPECTIONS IN FY 2023-24

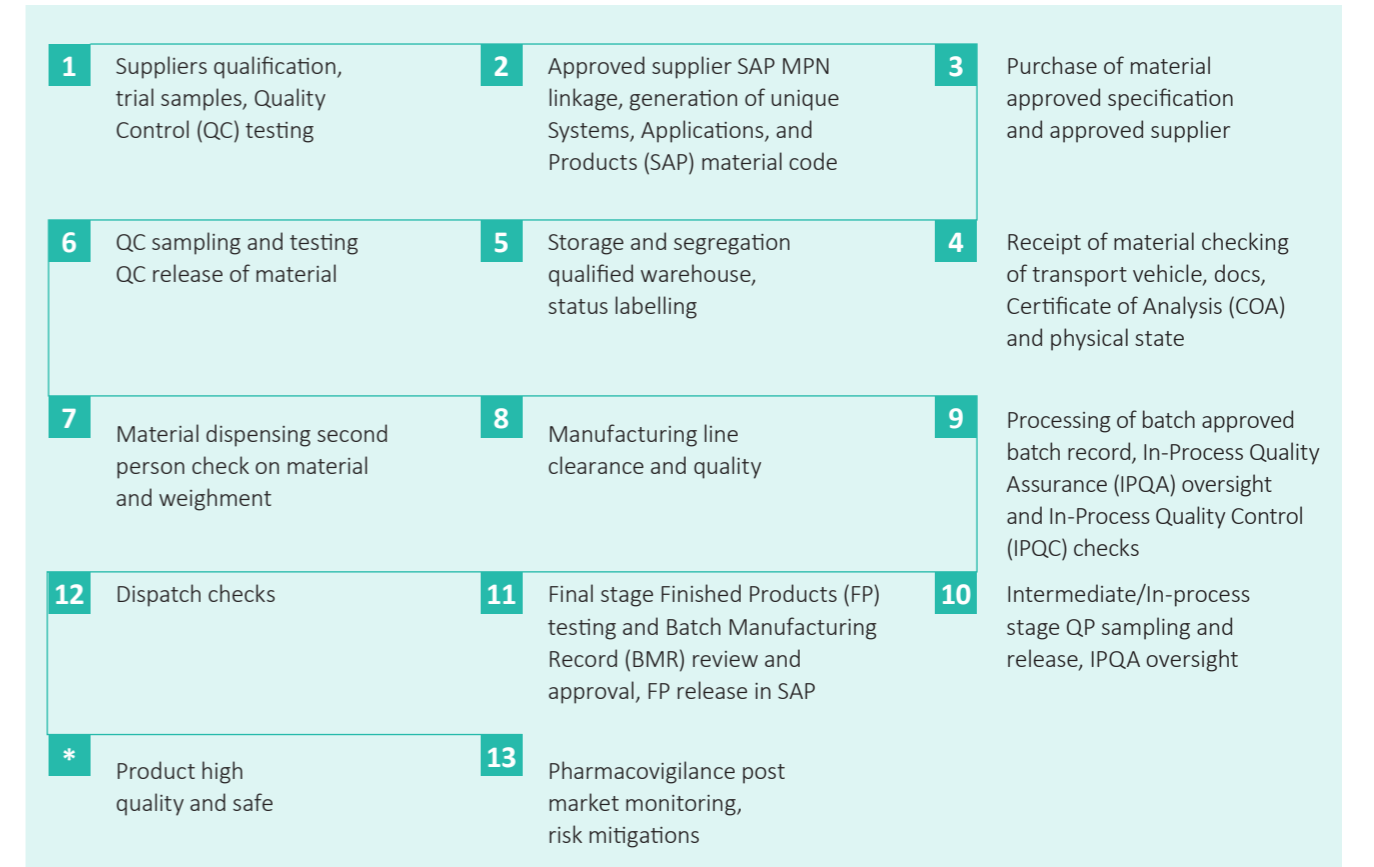
Zero
OAIs SINCE 2011

341
REGULATORY INSPECTIONS

1,746
CUSTOMER AUDITS

Robust Quality Assurance

PPL's QMS revolves around robust quality assurance practices covering product development and manufacturing lifecycle. This approach includes rigorous testing and validation to ensure that products meet all regulatory requirements and industry standards. Quality assurance is incorporated throughout the product manufacturing process through sustainable processes led by patient, customer, and consumer-centricity, as shown below.



Aligning Quality Initiatives with Key Objectives across Four Pillars

Quality Systems

A strong governance and communication channel is the foundation of the quality management infrastructure. All key quality systems at sites are aligned and adhere to the corporate guidelines. Regular reviews are conducted as part of the governance process. Moreover, the Company implements multiple layers of vigilance, including the central governance team's surprise corporate inspections of manufacturing sites. These inspections facilitate proactive risk identification and timely mitigation, keeping the Company consistently audit-ready. PPL has enforced a responsive quality process that continuously interacts with customers/regulators, providing actionable inputs to the site management and delivering the quality customers expect.

Process

PPL's quality team has developed proprietary tools for quality health evaluation and risk mitigation. These cutting-edge patented tools on defined algorithms equip the Company to meet the quality goals. They evaluate raw

data from different locations to record insights that provide leadership notification and influence the vigilance group's actions to ensure compliance integrity. A few examples of the various quality tools are SENSOR, CALCULUS, and PREDICT. PPL's initiatives, such as 'Evolve' and 'Quality Alerts', managed by central teams, foster cross-pollination of knowledge. Additionally, the quality intelligence search engine 'Quench' consistently provides site teams with updates on new regulations and ensures compliance tracking.

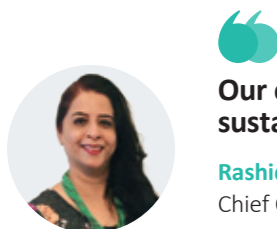
People

PPL ensures that quality processes drive the execution of long-term plans. The Company's blueprint is constantly reviewed and augmented to ensure adequate quality leadership, competence, and coverage that align with the growth objectives. To provide empowerment and independence, the reporting of the entire quality group rolls into the Chief Quality Officer (CQO), who in turn reports to the Chairperson, thus maintaining autonomy over operation and commercial verticals. Recognising the growth need, PPL expanded its central team to include

the critical verticals of governance, quality excellence, project oversight and technical support. This structure provides robust support to the manufacturing and development sites through need-based consultative assistance. Understanding the need to cultivate talent, the Company has initiated a structured two-year certification course called the 'Quality Academy' for the aspiring quality staff.

Technology

The smart quality approach allows the Company to integrate new technologies across different functions, leading to an efficient, effective and faster working environment. The key objectives of Project 'CATALYST' are to embrace technology to deliver effective quality and move to a paperless quality function. Significant progress has been made in this area with the implementation of the Manufacturing Execution System (MES) system at the Bethlehem site, the cleaning validation module at Pithampur, and the enhancement of TrackWise. Several other initiatives are scheduled for rapid rollout, including implementing of LIMS.



Our exemplary quality standards towards patient's well-being is an engine to our sustainability drive. We do not differentiate between quality and sustainability"

Rashida Najmi
Chief Quality Officer

R&D and Innovation Management

PPL exemplifies its commitment to innovation and research through strategic initiatives across its primary business segments: Piramal Pharma Solutions (PPS), Piramal Critical Care (PCC), India Consumer Healthcare (ICH) business.

PPS, as a leading Contract Development and Manufacturing Organisation (CDMO), showcases its innovation management through comprehensive R&D services that span the entire drug development lifecycle. From early-stage research to commercial-scale manufacturing, PPS focuses on delivering customised solutions that accelerate the path to market for its clients. The R&D teams at PPS are adept at navigating regulatory landscapes and employing advanced technologies to enhance drug discovery, process development, and manufacturing efficiency. This client-centric approach underscores PPL's dedication to fostering innovation and delivering high-quality pharmaceutical solutions.

PCC's R&D efforts are centred on pioneering advancements in anaesthetics and critical care therapies. The business emphasises the development of novel drug formulations and delivery systems that enhance patient safety and outcomes. PPL's state-of-the-art research facilities and collaborations with leading medical institutions enable PCC to stay at the forefront of innovation in critical care. These efforts ensure that PCC can offer superior therapeutic options that address the complex needs of healthcare providers and patients globally.

In the ICH segment, PPL invested significantly in research and development to continuously enhance and expand its product portfolio. The focus is on developing innovative health and wellness solutions that cater to the evolving needs of consumers.



Lexington, USA

This includes advancements in formulations, delivery mechanisms, and leveraging consumer insights to drive product innovation. By integrating cutting-edge R&D practices, the ICH business aims to introduce products that not only meet but exceed consumer expectations in terms of efficacy and safety.

Together, these business units underscore PPL's overarching strategy of integrating robust R&D frameworks to drive innovation. This approach not only enhances the Company's product offerings and market competitiveness but also reinforces its commitment to improving health outcomes and ensuring customer satisfaction across its diverse markets.

Product Tracking

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.

Responsible Investment

The Company is increasing its investments in sustainability-related initiatives to promote sustainable business growth. This presents a significant opportunity to attract responsible investments, potentially enhancing business productivity. As part of this effort, the Company ensures investments in renewable energy procurement, product sustainability based on Life Cycle Assessment (LCA) outcomes, and continued innovation and R&D.

Success Story

- During FY 2023-24, PPL achieved a 95% first time right rate for batches produced. PPL successfully cleared 36 regulatory inspections (including four USFDA inspections) and 172 customer audits. In response to regulatory requirements, PPL has implemented QR codes on primary packaging and remains compliant with all applicable regulations.
- PPL's ongoing commitment is to uphold quality as a distinguishing factor in its business operations. Since 2011, PPL has maintained a track record of zero Official Action Indicated (OAI)s.



Morpeth, UK

Product Recall Management

During the reporting period, there were three voluntary recalls. There were no customer complaints, and no reported incidents of non-compliance concerning product health and safety norms and standards. Health and safety impacts were assessed for key product and service categories.

Year	Product Recalls (Nos.)
FY 2021	0
FY 2022	0
FY 2023	0
FY 2024	3

PPL is committed to fair and responsible business practices in all customer dealings. It ensures transparent communication about the economic, environmental, and social impacts of its brands, products, and services.

TECHNOLOGY AND AUTOMATION

PPL's advancement in technology and automation plays a crucial role in enhancing operational efficiency, effectiveness, and safety. The Company's focus on integrating technology aims to minimise manual intervention, which is vital for handling complex and growing workloads. The 'CATALYST' initiative exemplifies this commitment by continuously improving IT operations and streamlining processes.

By upgrading to a hyper-converged, unified infrastructure, PPL ensures high availability, scalability, and superior performance across its national and international sites. This modern IT infrastructure supports the Company's ability to meet expanding business needs and maintain a competitive edge. The strategic use of automation and technology not only optimises workflows but also boosts reliability and responsiveness, enabling PPL to deliver high-quality services and adapt swiftly to evolving market demands.

The organisation also launched the Catalyst Capability Building Programme for core team members, aimed at enhancing their digital transformation skills in areas such as design thinking, agile methodologies, leading digital transformation, managing change, and data-driven decision-making.

Digitalisation and Automation

PPL's approach to robust, efficient, effective, and safe operations is supported by its progress in technology and automation. It is important for the Company to identify the opportunities where technology integration would decrease the burden of human intervention. In FY 2023-24, there were significant technological advancements transitioning from the strategic business partner to co-owning business outcomes through tech-led transformation.

This involved:

- Enhancing customer experience through digital technology
- Leveraging data to improve business operations and decision-making



 Riverview, USA

- Maximising productivity through analytics and automation
- Cloud native IT infrastructure for improved security and flexibility
- Improved compliance and information security

In FY 2023-24, PPL's focus was on leveraging analytics, automation, and cutting-edge technologies to streamline drug development, manufacturing, and supply chain processes. The Company enhanced efficiency, quality,

and compliance across operations through active investments in digital infrastructure and new technologies. This included deploying digital tools for IT operations, quality and security management, and data centres. Additionally, PPL collaborated with leading technology institutions and service providers to introduce new technologies.

Opportunities for Automation across PPL's Business and Functions



Business Development (BD) Automation

For the CDMO business, the first phase of BD automation went live, optimising and streamlining the Request for Proposal (RFP) to proposal creation process, reducing turnaround time for the customers with improved levels of standardisation, visibility, and inter-team collaboration.



Manufacturing Automation

Various automation initiatives are being run to improve efficiency, quality, patient safety, reduce costs and meet regulatory standards. To streamline the documentation process, PPL has initiated automation of logbook systems which will also enhance data traceability and ensure regulatory compliance.



Maintenance Automation

Sensors have been deployed at selected CDMO sites for real-time analysis of data to proactively schedule maintenance activities. This has resulted in the optimising of operational efficiency and the smooth functioning of manufacturing processes, minimising downtime by 50% and preventing costly unplanned outages.



Contract Lifecycle Management

The initial phase of contract lifecycle management has been implemented to establish a centralised repository of vital business documents. This allows for streamlined document retrieval, improved contract negotiation, efficient circulation of revisions, and tracking, as well as simpler performance evaluation by storing essential metrics against contractual commitments.



Expense Automation

A customised rule-based automation to manage expenses of the field sales force handled by International Council for Harmonisation (ICH) division. In addition to reducing administrative work, the processes are now more efficient, accurate and compliant with policies, leading to increased user satisfaction.



Quality IT Automation

PPL to implement other management systems in the coming year such as Laboratory Information Management System (LIMS) and Learning Management System (LMS) across its global sites to ensure compliance, meet regulatory requirements, quality assurance and improve training and education for employees.

Furthermore, PPL has ensured digitalisation and MIS across functions and sites through Enterprise Data Platform (EDP), Qlik upgrade migration to new cloud-based dashboard QlikSense platform and quality automation.

OPERATIONAL EXCELLENCE

At PPL, the commitment to quality and excellence is central to its operations. The Company adheres to stringent process and product quality standards, utilising digitisation to improve efficiency, effectiveness, and safety. PPL has established a robust quality management framework across all its locations, ensuring compliance with evolving regulatory requirements and reinforcing its position as a preferred partner. This framework is strengthened by the QuEST (Quality Empowering Strategic Transformation) programme.

Operational Excellence

With growing technological advancements and innovations, more avenues are available for the organisation for resource efficiency, product stewardship, and cost savings. Operational Excellence (OE) is one of these key elements for achieving organisational leadership. It is a global programme with the goal of

delivering a sustainable step change in our operational performance on all dimensions: Safety, Quality, Service/Delivery, Cost competitiveness and People.

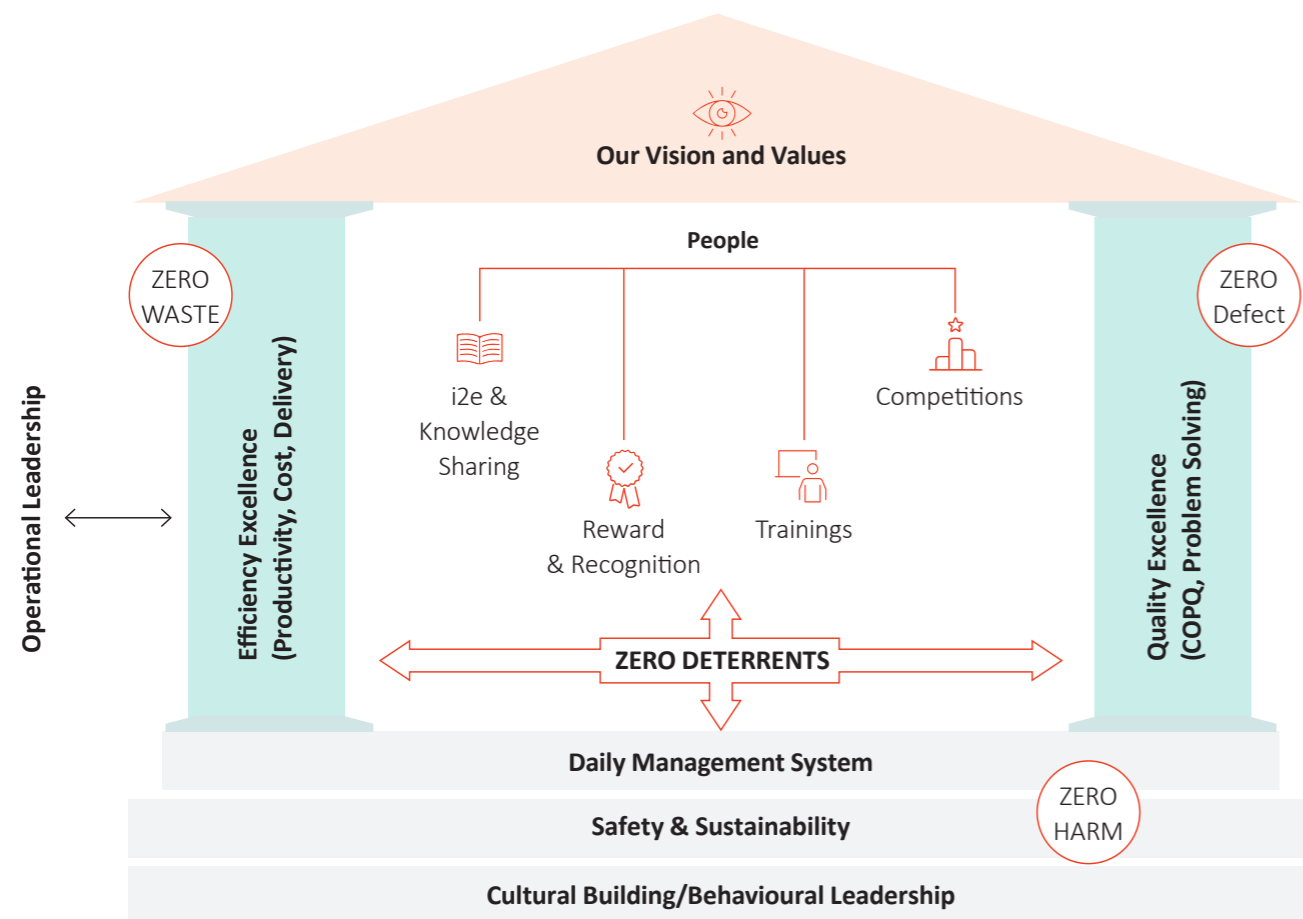
Vision and Values

For PPL, the purpose of ‘Doing Well and Doing Good’, serves as the guiding principle and forms the foundation

of our people practices. Our values – **Knowledge, Action, Care, and Impact**, act as the building blocks, guiding the employees towards individual and organisational growth. This approach to serve our patients, consumers, and customers worldwide while making a positive difference to our employees and stakeholders is also at the core of all Operational Excellence (OE) initiatives.

OE Framework and Sustainability

Cultural and behavioural leadership, standard work, safety and sustainability form the foundation of the OE Framework. The foundational elements of daily management systems and workplace organisations help PPL to organise and drive on-time project execution, while aspiring to achieve the objective of **Zero Deterrents, Zero Defect, Zero Harm, Zero Waste**.



The OE framework also addresses the various United Nations Sustainable Development Goals (UN SDGs): 4 (Inclusive and equitable quality education), 8 (Decent work and economic growth), 9 (Industry, innovation and infrastructure) and 12 (Responsible consumption and production)

With a strong consideration and commitment towards the Company's core values and vision, the operational excellence model directs our focus on three tenets:

- Cultural Building and Behavioural Leadership**
- Operational Leadership**
- Digitalisation**

These tenets will help build efficiency, quality, safety, and sustainability in the processes.

To make the manufacturing process robust and efficient, it needs to continuously improve and eliminate all the other wastes that lie hidden during the process. The tools and techniques from Lean and Six Sigma philosophy are very effective in improving the imperatives like product yields, capacity, On-Time In-Full (OTIF), reducing the costs of poor quality, energy conservation initiatives (power, fuel, and water), waste reduction, and reduction of usage of fresh solvent and catalysts. These initiatives ensure positive impact due to increased productivity and efficiency.

Cultural and Behavioural Leadership

This pillar enables OE Culture building or Behavioural leadership. It works on the principle to engage and involve i.e. engage people from middle management to workmen level and involve senior leadership on alignment of OE approach for the organisation.

This is driven through both Top-Down (strong vision, futuristic strategy planning) as well as Bottom-Up (a culture of improvement and ownership among large teams) approaches.

The key tool to achieve the behavioural leadership, is adaption of the Daily Management System (DMS) and its inclusive principles of Performance Management System (PMS), Root Cause Problem Solving (RCPS), Capability at Gemba (CAG), Leader Standard Work (LSW), Standard Work Processes (SWP) and Work Place Organisation (WO). Operational Excellence (OE) is

constantly functioning to bring the cultural change, establishing Lean thinking through the deployment of these principles.

Also, there are constant endeavours on capability building through Lean Six Sigma (LSS) belt programmes (White Belt, Yellow Belts, Green Belts): classroom trainings, coaching and projects completion. Currently the LSS programmes is driven across all network sites through coaching on the LSS structured approach to problem-solving and process improvement, utilising data-driven techniques to achieve measurable results.

Operational Leadership

This pillar that enables OE Efficiency and Quality improvement through levers like Yield, Overall Equipment Effectiveness (OEE), Process Improvement, Right First Time (RFT) and effective problem solving.

Key Focus Areas:

Approach	Material Savings	Energy Conservation Initiative
Gap assessment from standard/benchmark, identification of opportunity with the help of OE tools, and form action for the improvement.	(a) Yield improvement specific consumption of key raw material (b) Solvent recovery and reuse (c) Catalyst recovery improvement	Focused drive to optimise the energy consumption (power and fuel).

Digitalisation

Focus on technology to eliminate manual activities or governance which can be automated and reduce the chances of human error will further improve people's productivity and strengthen operations. This can be achieved by identifying opportunities through mapping a value stream and eliminating the sources of waste and delay in the processes through innovative ideas and technology enhancement, e.g. digital KPI cockpit/ KPI automation established for sites, digitalisation in OEE measurements

Summary and Future Goals

In this report, we outline our commitment to operational excellence through sustainable and socially responsible practices. We continue

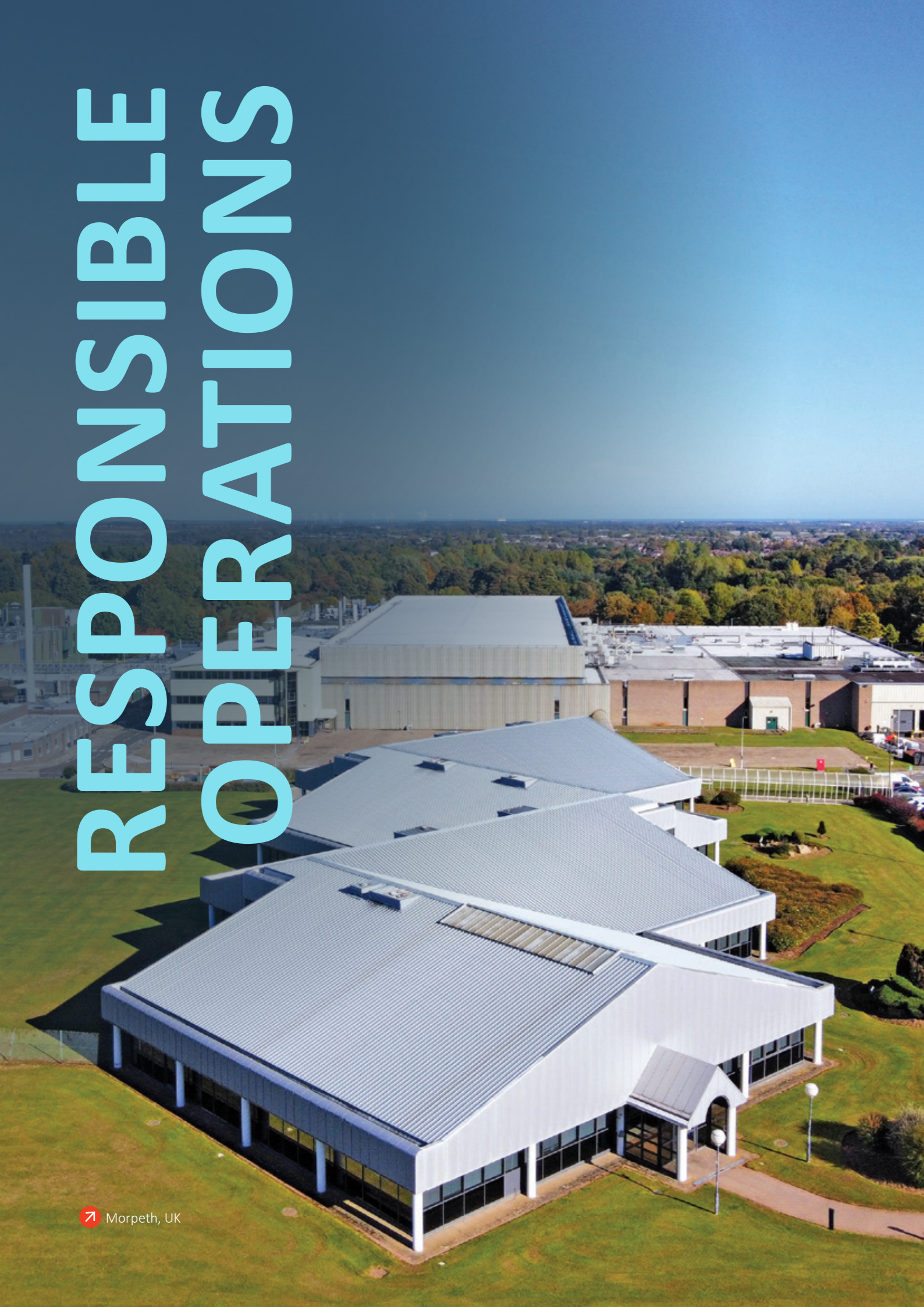
our efforts deploying OE tools through enhanced digitalisation, bringing mindset and & behaviour changes through DMS in other central functions and achieving operational leadership through cost optimisation initiatives and improved efficiency. Our goal is also to integrate sustainability principles into every facet of our operations, thereby enhancing our performance and positively impacting the environment and society, as well.

Asset Integrity

With ongoing technological advancements, high-quality assets are becoming more affordable and accessible. By upgrading its asset base, PPL ensures enhanced operational efficiency and increased productivity, positioning the Company for sustained growth and improved performance.



RESPONSIBLE OPERATIONS



In FY 2023-24, our focus on climate change, energy, water, and waste management drove key initiatives to enhance energy efficiency, reduce emissions, promote afforestation, conserve water, and improve waste management across global sites.

FOCUS AREAS

⚡ Energy Management

- Conducted energy audits to identify savings opportunities and optimize energy use across our facilities.

☁️ Climate Change Management

- Identified opportunities to reduce Scope 1 and 2 emissions: 13% from renewable energy sourcing, 21% from low carbon fuel switch and 7% from energy efficiency levers
- Completed Scope 3 inventorisation for thirteen categories

💧 Water Stewardship and Waste Management

- Implemented 15 microprojects in India, resulting in 114 KLD of water savings in FY 2023-24
- Diverted 51% of hazardous waste generated in India for co-processing

4.76%

Reduction in Scope 1&2 emissions compared to base year

2,440

Saplings planted

2,39,831 KL

Total water savings during the reporting year

Zero

hazardous waste to Landfill achieved

49%

Increase in renewable energy consumption

UN SDGs IMPACTED



CLIMATE CHANGE MANAGEMENT

PPL recognises its significant role in protecting the environment and combating climate change. The Company has a Sustainability and Risk Management Committee that formulates an integrated risk management system to maintain business sustainability by immediately identifying, evaluating, and addressing risks. Moreover, the Company has adopted a precautionary approach to managing environmental-related risks and opportunities that impact the Company.

Energy Management

The Company's objective is to optimise the use of energy resources to achieve efficiency and environmental sustainability. Our primary focus is to reduce energy consumption, thereby decreasing operational costs and increasing profitability while meeting our 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.

In FY 2023-24, the energy intensity was 163.5 GJ/₹ Crores of Revenue



Solar Panels at Digwal, India

The energy audits have identified a potential for a 7% reduction in overall energy consumption

Energy Assessment and Improvement Programme

In the reporting year, the Company conducted comprehensive energy audits across 13 out of our 16 operational sites, remaining sites audits are scheduled and are under progress. These audits aim to identify opportunities for potential energy savings and optimise energy use across our facilities.

The energy audits have identified a 7% potential reduction in overall energy consumption. We are currently prioritising projects based on these findings and progressing with their implementation to realise these savings.

9.64%
TOTAL ENERGY SOURCED FROM
BIO-BRIQUETTES/BIOMASS

The Company has undertaken several key initiatives to enhance energy efficiency, focusing on quick wins and project implementation.

Energy Efficiency Initiatives Undertaken

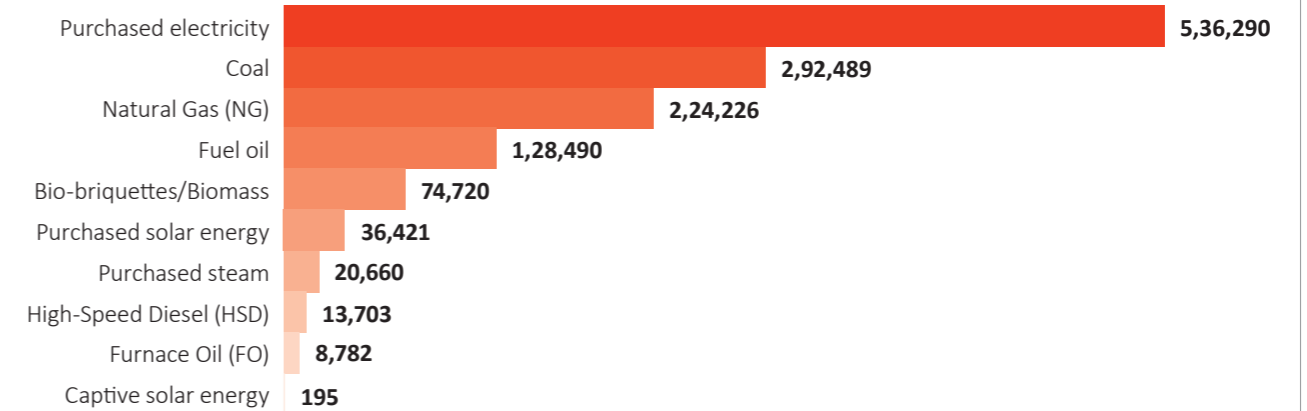
Eliminated continuous pumping operation and implemented a gravity feed operation for the product intermediate distillation setup

Replaced V-belt drives of air handling units in phase II with flat belt drives

Modified the chilled water system with energy-efficient pumps

Optimised Diesel Generator (DG)

Energy Mix in FY 2023-24 (in GJ)



Success Stories

Optimising Energy Efficiency

Problem Statement

For fiscal year 2024, rising energy costs and an annual power consumption were impacting budget allocations, operational strategies, and financial planning.

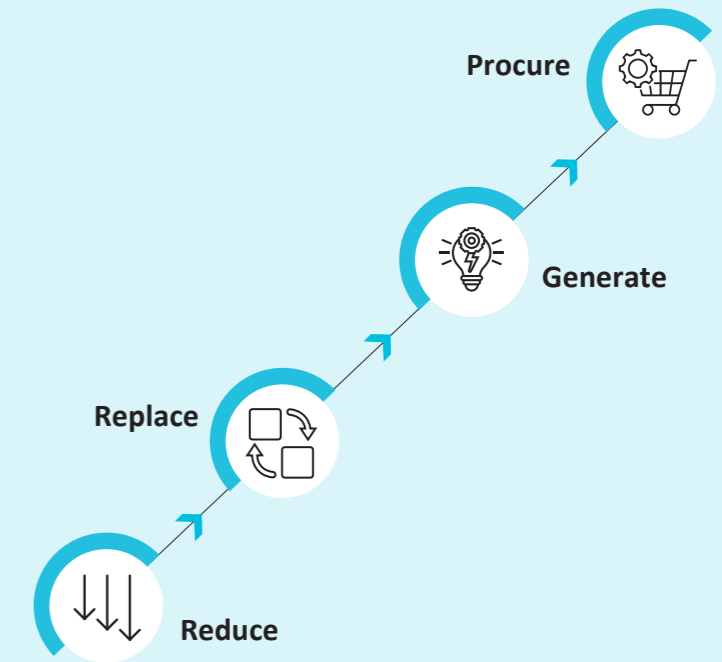
Solution

Over 140 energy-saving ideas were developed in four categories: Reduce, Replace, Generate, and Procure. Key projects were successfully executed.

Outcome

The projects significantly reduced energy consumption, improved operational efficiency, and were completed under budget with minimal disruption to production.

140+
IDEAS GENERATED



Energy Savings with Flash Steam Integration

Problem

Hot water generators for Heating, Ventilation, and Air Conditioning (HVAC) used plate-type heat exchangers, causing high steam consumption. Flash steam from condensate recovery was wasted by being vented, resulting in significant energy loss.

Solution

Installed a piping system to channel flash steam from the condensate recovery system into the hot water tank, enabling efficient hot water generation.

Outcome

Reduced steam consumption by 1.6 MT daily. Saved 400 kg of agro-briquettes daily. Conserved 1,600 litres of water daily.



“Embracing innovative ways to reduce our environmental impact through smarter energy management, renewable electricity and low-carbon fuels.”

Mayank Mattu

Senior Vice President and Global Head - Engineering and Projects, PPS

Optimising Boiler Performance with Draft Control

Problem	Solution	Outcome
Manual operation of boilers led to inconsistent furnace draft and inefficient fuel combustion.	Installed a draft controller to automatically adjust blower speed, ensuring consistent furnace draft.	Automatic draft maintenance; power savings; fuel savings; efficiency gains.

High Efficiency Chillers



Upgraded High Efficiency Chiller, Morpeth, UK

As part of a £400k investment at Piramal Pharma Solutions to upgrade aged Chiller Units with high efficiency replacements, we see the first unit installed and handed over to the Packaging area without any loss to production. This particular unit is estimated to save over 237,200 kWh of energy a year, equivalent to £ 45k savings.

Renewable Energy

The Company relies on purchased energy sources such as grid electricity. The Company is also focusing on increasing its use of solar energy and implementing group captive renewable/open access installations to achieve our committed targets. In FY 2023-24, renewable power accounted for 10% of consumption in India and 6% of total global power consumption. This includes both purchased and captive renewable sources. Our line of sight will help us to reach up to 26% in India sites and overall, 19% by FY 2026.

We sourced 9.64% of our total energy from bio-briquettes and biomass, reflecting our commitment to using sustainable and renewable energy sources. We achieved a 49% increase in renewable energy consumption compared to FY 2022-23. Sites at Pithampur, Ennore, Mahad have already switched into low carbon fuels. Other sites namely, Digwal, Dahej and Sellersville are transitioning towards low carbon fuels.

PPL's emission reduction targets approved by SBTi

Scope 1 and Scope 2 emissions reduction 42%, and Scope 3 emissions 25% by 2030, from the 2022 base year.

Climate Change

The Company is actively embedding climate action governance across the Company by clearly defining roles and responsibilities for assessing and managing environmental risks and opportunities. During the reporting period, PPL is committed to reducing Scope 1, 2, and 3 emissions in alignment with the Science Based Targets initiative (SBTi). The company's emission reduction targets have been approved by SBTi.

Our near-term emissions reduction targets have been approved by SBTi in August 2024 and are outlined below:

Target

Reducing absolute Scope 1 and Scope 2 emissions by 42% by 2030 from base year 2022

Reducing absolute Scope 3 emissions from purchased goods and services, fuel and energy related activities, upstream transportation and distribution and use of sold products by 25% by 2030 from base year 2022

Progress

Scope 1 and Scope 2 emissions have decreased by 4.76% from base line emissions.

The Company has launched comprehensive Roadmap for Decarbonisation or Carbon Reduction Plan (CRP) designed to meet our Scope 1 and Scope 2 emission reduction targets and further our commitment to sustainability and addressing and reduce our Scope 1 and Scope 2 emissions as per commitment. This decarbonisation roadmap outlines specific actions, milestones, and timelines to achieve our emission reduction goals.



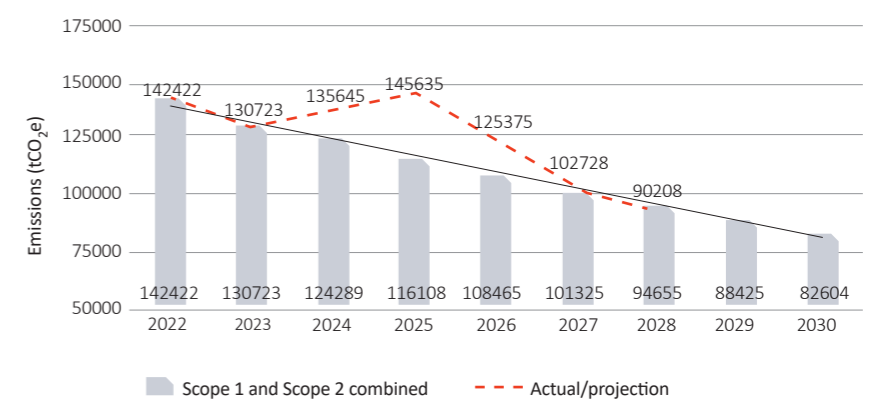
Recognition on Sustainability Efforts

To tackle Scope 3 emissions, which are indirect emissions that occur in the value chain (both upstream and downstream), we have created a Sustainable Supply Chain initiative. This programme focuses on actively engaging with our suppliers to help them implement their own emission reduction strategies. By collaborating

closely with our supply chain partners, we aim to drive reductions across the entire lifecycle of our products and services.

Our Decarbonisation Roadmap outlines specific site-wise levers and timelines

Carbon Reduction Plan (CRP) for Scope 1 and Scope 2 - PPL
Emission Targets vs Actuals/Estimate



GHG Scope 1 and Scope 2

GHG emissions#	FY 24	FY 23	FY 22
Scope 1 (tCO ₂ e)	56,230	55,229	56,578
Scope 2 (tCO ₂ e)	79,415	75,494	85,844
Bio-briquette/biomass (tCO ₂ e)	12,849	13,324	14,567
Scope 3 (tCO ₂ e)	4,99,659	4,50,639	4,77,407

#Scope 1 emissions (tCO₂e) were calculated using emission factors based on the World Resources Institute (WRI) GHG Emission Factors Compilation (2024) from the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories.

Scope 2 emissions (tCO₂e) from purchased electricity were calculated using location-based grid emission factors specific to regions: the Central Electricity Authority of India for India, the US Environmental Protection Agency for Emissions & Generation Resource Integrated Database (eGRID) regions, and Canada's greenhouse gas offset credit system as per government publications. Purchased steam calculations were based on the Department for Energy Security and net zero GHG conversion factors for the Company reporting for the UK.

Scope 1 and scope 2 emissions for FY 2022-23 have got revised as per SBTi requirement and presented SBTi validated numbers

In FY 2023-24, the emissions intensity was 18.2 tCO₂e/₹ Crores of Revenue

Scope 3 Inventory is of 13 Categories Applicable out of 15 Categories

Scope 3 Categories	Total Emissions (tCO ₂ e) FY 2024	Total Emissions (tCO ₂ e) FY 2023	Total Emissions (tCO ₂ e) FY 2022
Purchased goods and services	1,91,060	1,37,241	1,58,670
Capital goods	14,917	12,267	8,833
Fuel and energy related activities	40,854	41,150	44,813
Upstream T&D	1,00,368	1,07,535	1,19,549
Waste generated in operations	633	2,329	2,046
Business travel	2,473	2,082	703
Employee commuting	10,941	13,008	11,786
Upstream leased assets	976	1,600	1,617
Downstream T&D	9,378	7,862	5,432
Processing of sold products	6,718	5,977	7,612
Use of sold products	1,13,702	1,11,731	1,08,377
End of life treatment of sold products	5,742	6,473	6,909
Investments	1,897	1,384	1,060
Total emissions	4,99,659	4,50,639	4,77,407

Air Emissions

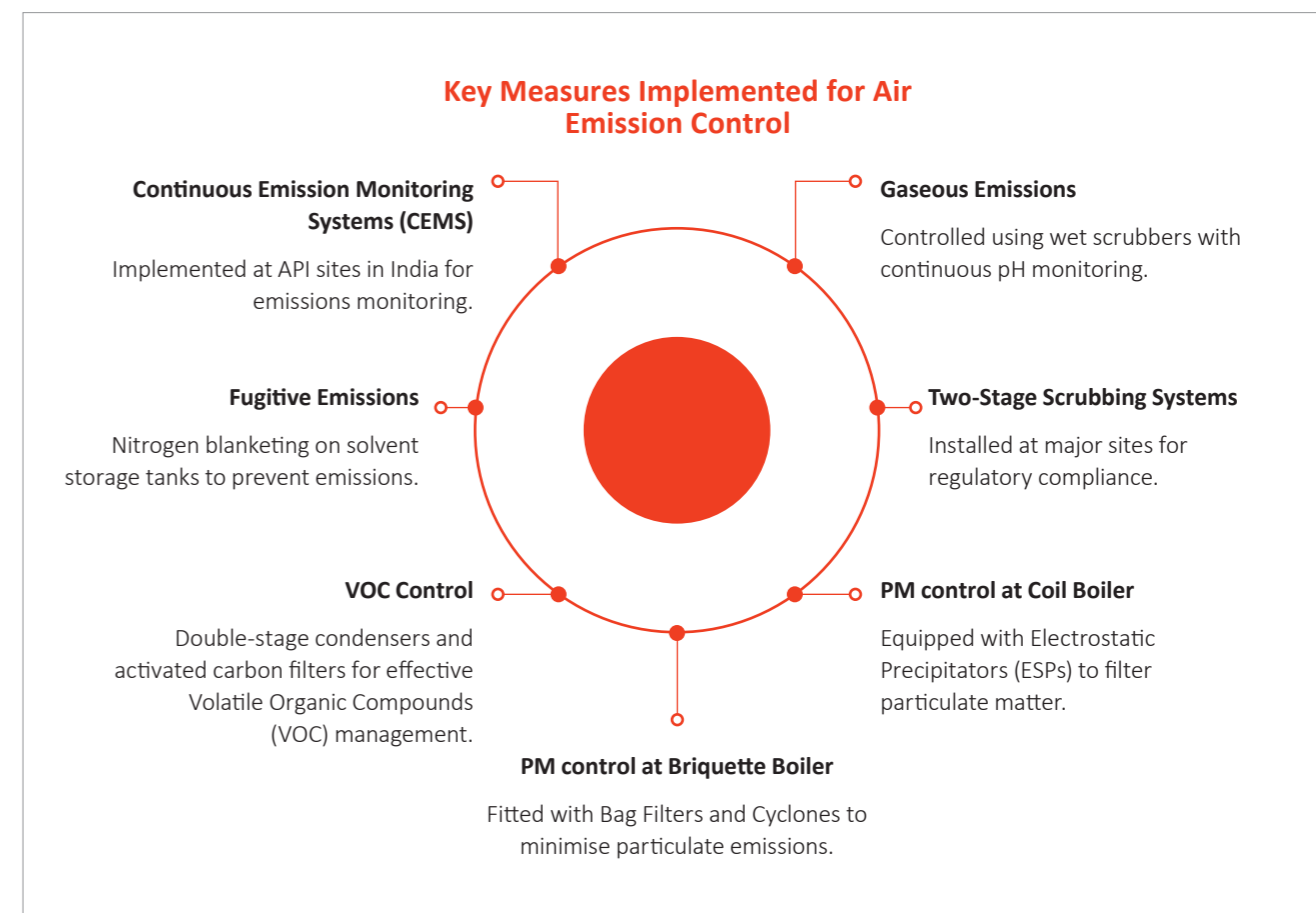
The Company's emission-levels are monitored in compliance with applicable regulations and are well-below the permissible limits.

The Company integrates air pollution control measures from the design stage to enhance sustainability

and environmental stewardship, ensuring compliance with statutory requirements.

The Company ensures air pollution control at the design stage and taking various mitigation measures not only to comply with statutory requirements

but also ensure sustainability and environmental stewardship of our pharmaceutical operations. Effective air pollution control is also supporting our broader goals of environmental responsibility and regulatory compliance



We also aimed to prioritise the use of safer, less toxic substances in our operations. We aim to reduce the potential for harmful emissions and enhance overall sustainability by incorporating green chemistry principles.

By adopting these measures, we are advancing our mission of environmental responsibility and contributing positively to both human health and the natural environment.



Our sustainability initiatives are more than just a series of goals— they are a fundamental part of our values and our strategy.”

Manoj Zalpuri
Executive Vice President, NA Operations, PPS



➤ Continuous Ambient Air Quality monitoring station Digwal, India

Noise Pollution

In line with our commitment to sustainability and environmental stewardship, we are dedicated to managing noise pollution within our pharmaceutical operations. Effective noise control is crucial for both environmental impact and employee well-being.

Key Noise Control Measures Implemented

<p>Acoustic Insulation</p>	<p>Enclosures and Barriers</p>	<p>Strategic Equipment Placement</p>	<p>Designated Work Areas</p>	<p>Hearing Protection</p>
<p>Power Generating Sets Installed acoustic insulation to absorb and reduce noise generated by power generating equipment, minimising noise pollution.</p>	<p>Equipment Noise Control Enclosures and barriers have been fitted around noisy equipment such as compressors and pumps to contain and reduce noise emissions.</p>	<p>Noise Impact Minimisation Equipment has been strategically located in areas that minimise noise impact on work areas and surrounding environments.</p>	<p>Noise Control Considerations Work areas have been planned with noise control in mind, ensuring that operations are carried out in locations designed to mitigate noise impact.</p>	<p>Employee Safety High-quality hearing protection devices, such as earplugs and earmuffs, are provided to employees working in areas with significant equipment noise.</p>

By implementing these comprehensive noise control measures, we are enhancing our commitment to environmental stewardship and ensuring a safer, more comfortable working environment for our employees.

Biodiversity

PPL is committed to minimising its environmental footprint and preserving ecosystems for future generations. To achieve this, PPL implements rigorous environmental management practices, such as reducing emissions, managing waste responsibly, and conserving water. The Company also invests in green technologies and sustainable production methods to limit its impact on the environment.



➤ Developed Green belt, Digwal, India

33%
PPL'S PLOT IN INDIA AREA COVERED WITH GREEN BELT

2,440
SAPLINGS PLANTED IN FY 2023-24

Most of the Company's manufacturing activities are in notified industrial estates, thereby minimising significant

impacts on biodiversity. To avoid adverse effects on biodiversity from business activities, PPL has decided that any new production sites will not be near protected areas, particularly those critical for vulnerable species and habitats with high biodiversity value.

The Company actively seeks opportunities within facilities to enhance green cover and has successfully established a green belt

covering 33% of its plot areas in India. To strengthen this initiative, PPL plans to increase green cover density through internal plantation drives. Currently, 33% of its Indian sites feature green cover, with potential sapling planting sites on vacant land in India. In FY 2023-24, PPL planted 2,440 out of the targeted 4,000 saplings. For FY 2025, the Company aims to plant 2,500 saplings in India.

Water Stewardship

PPL acknowledges the critical importance of water conservation and strives to lead in sustainable water management practices. To support this commitment, PPL has embarked on a Comprehensive Water Use Assessment (CWA) across its operations in India and the UK, with ongoing assessments in North America.

In FY 2023-24, the total water discharge was 4,65,391 KL and total water consumption was 5,86,874 KL.

Comprehensive Water Use Assessment (CWA)

The primary objective of the CWA is to identify opportunities for water reduction and to develop strategies for optimising water use across PPL's sites. The assessment helps in understanding the potential for water savings through various initiatives, from immediate improvements to long-term investments. These assessments, focusing on identified micro projects, quick wins, and significant Capital Expenditure (CapEx) projects aimed at reducing water use and enhancing recycling technologies.

Micro Projects and Quick Wins (Reduce, Reuse, Recover)

PPL 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, PPL has identified several CapEx projects requiring investment which include technology absorption and infrastructure upgradation.

Water Withdrawal

Type of Source (kl)	FY 2024	FY 2023	FY 2022
Ground water	1,34,832	1,82,811	2,45,976
Third-party water	8,93,141	7,50,221	6,30,767
Rainwater/Others (Catchment water and other sources)	24,292	38,702	-
Total water withdrawn	10,52,265	9,71,734	8,76,743



➤ Rainwater collection system, Digwal, India

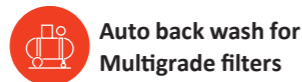
Reduce, Reuse, and Recovery – Micro Projects Implemented



Condensate recovery



Water-less urinals



Auto back wash for Multigrade filters



Reuse of sanitised hot water



Flow regulating guns for equipment washing



Drip sprinkling systems for Green belt development

Comprehensive Water use Assessments (CWA) identified **400 KLD** water saving potential

Recycled **504 KLD** of treated water

Rain water collected and reused **13,987 KL**

Total water savings **2,39,831 KL** during the reporting year

Zero Liquid Discharge (ZLD) Plants (Recycle)

- API sites in India have adopted Zero Liquid Discharge (ZLD) plants, a significant step in our water conservation efforts. ZLD systems ensure the complete recycling of treated water back into utility processes, minimising waste water and reducing the need for freshwater.
- During the year 1,84,234 KL of treated water is utilised saving equivalent quantity of freshwater withdrawal.

Rainwater Collection and Reuse

The Company has collected 13,987 KL of rainwater, treated, and reused in utility processes. The treated rainwater offsets the use of an equivalent amount of fresh water, contributing to overall freshwater reduction goals.



➤ Zero Liquid Discharge plant, Digwal, India

Success Stories

Optimising Energy Efficiency

Problem

Boilers play a crucial role in generating steam for heating equipment. Previously, the condensate from this steam was being discharged to the Effluent Treatment Plant (ETP), resulting in excessive freshwater use and higher fuel demands.

Solution

We installed condensate recovery systems at key locations to capture the hot steam condensate. This collected condensate was then redirected to the boiler feed water tank, enabling its reuse in the steam generation process.

Results

Over 85% of the condensate was successfully recovered and reused, significantly decreasing the need for fresh water. The reuse of hot condensate led to enhanced boiler efficiency. The steam-to-fuel ratio improved by 0.2%. Boiler fuel consumption was lowered by approximately 250 MT per year.



➤ Reverse Osmosis (RO) plant, Digwal, India

Waste Management

PPL has developed guidelines on waste management based on which sites have site specific Environment, Health, and Safety (EHS) procedures. The Company has a comprehensive programme to identify wastes and track quantities generated and disposed. Wastes generated are collected and disposed as per local regulations and are complied with.

During the reporting year, all hazardous waste generated was successfully diverted from landfills. The hazardous waste was disposed through Co-Processing, Recycling and Incineration. Certain hazardous wastes were processed or recycled, making use of their chemical properties or calorific value.

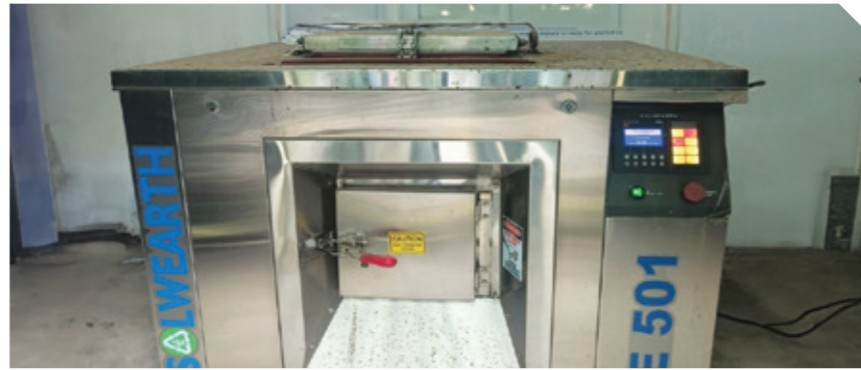
Pre-Processing for Co-Processing

For hazardous wastes with low calorific value, pre-processing techniques were employed to increase their calorific value, facilitating their use in co-processing applications. This strategy helped achieve a zero hazardous waste-to-landfill status.

Non-hazardous wastes were effectively managed by sending them to third parties for recycling. This practice aligns with sustainability goals and reduces the overall environmental impact.

Zero Hazardous Waste to Landfill

One of the key achievements during the reporting year was the successful diversion of all hazardous waste away from landfills, meeting the goal of zero hazardous waste-to-landfill.



📍 Food waste composter, Ennore, India

Waste Generated

Non-hazardous Waste (MT)



Hazardous Waste (MT)



Total Waste Generated (MT)



In FY 2023-24, 6,277.3 MT of hazardous waste generated was diverted from disposal and sent for pre-processing and co-processing. Also, 3,336.8 MT of hazardous waste generated was sent for incineration.

Success Stories

61% Hazardous waste generated sent to recyclers/processing

32% Hazardous waste generated sent to incineration

Goal

Our goal for the reporting year was to divert all hazardous waste from landfills, achieving a zero hazardous waste-to-landfill status.

Solution: We implemented a comprehensive waste management strategy, which includes enhanced recycling, pre-processing of low calorific value waste to make it amenable for co-processing and treatment processes. Collaboration with specialised waste management partners. Employee training on best practices for hazardous waste handling.

Results: Successfully diverted 100% of hazardous waste away from landfills, achieving zero hazardous waste-to-landfill target.

Environmental Impact: Significantly reduced our environmental footprint and improved our sustainability profile. Ensured compliance with environmental regulations and strengthened our commitment to responsible waste management.

Plant, Process and Transport Safety

PPL ensures the safety of all personnel, including directors, full-time and part-time employees, contractors, sub-contractors, and consultants, whether they are working in the plant, involved in any production process, or during transport. Additionally, PPL ensures proper transportation and storage of all pharmaceutical compounds. The Company endeavours to minimise manufacturing process hazards wherever possible to prevent

workplace accidents, production outages, and chemical spills. To achieve this, PPL regularly reviews its plant and process safety approach and consistently adheres to established EHS and ESG policies. The Company also trains employees to handle and manage hazardous substances safely.

Moreover, the Company follows specific protocols for labelling, storing, handling, and transporting hazardous substances.

When the Company needs to start new operations, change operations, or periodically review risks related to current activities, it has a formalised process to assess and document environmental risks based on guidelines for hazard studies. During the reporting period, there were no workplace accidents, production outages, or exposure to harmful chemicals or leaks.



📍 Lexington, USA

Environmental Emergency Response Measures

Disaster Management Preparedness

The Company has implemented a robust and comprehensive Business Continuity Plan (BCP) designed to ensure the continuity of critical operations in the face of disruptive events, such as natural disasters, technological failures, or other significant incidents that could impact normal business operations. This plan covers various emergency scenarios across the organisation and outlines a structured response, rescue, and recovery strategy.

As a crucial component of its business continuity measures, the Company has installed automatic fire suppression

systems equipped with the Network of Volcanic and Atmospheric Change (NOVAC) system. This strategic installation aims to swiftly extinguish fires within compartments, enhancing facility's overall safety and resilience.

Material Management

PPL 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. PPL prioritises the use of

environmentally and socially responsible materials, products, and services that provide high performance, safety, and long-lasting value.

PPL 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.

STAKEHOLDER CENTRICITY



In FY 2023-24, we strengthened human capital management, prioritised customer-centricity, and expanded community development efforts. Key initiatives included advancing diversity, employee safety, customer satisfaction, and empowering local communities through targeted programmes.

FOCUS AREAS

Human Capital Management and Safety

- 17.3% of the global workforce are women
- 72% of new campus hires were women
- Covered 61% employees under ESG training

Customer Centricity

- Achieved a customer satisfaction score of 85% and 87% for CDMO and CHG businesses, respectively
- Achieved a NPS of 60% and 65% for CDMO and CHG, respectively

Community Development

- Undertook the 'Pehla Qadam' Programme to empower women in local communities
- Created a vibrant hub for knowledge and learning through community libraries

17.3%

of the global workforce are women

>15

Person hours for e-learning

68%

Employee engagement score for PPL

18.6 hours

Safety training per employee

₹ 5.28 cr

Spent on CSR Initiatives

UN SDGs IMPACTED



HUMAN CAPITAL MANAGEMENT AND SAFETY

PPL recognises that its commitment to sustainability extends beyond environmental stewardship to encompass social responsibility. Guided by the principle of 'Doing Well and Doing Good', PPL aligns its efforts with its ethical standards and core values, focusing on its people, patients, and the community in all aspects of its operations.

PPL fosters a positive work environment by ensuring freedom of association, fair working hours, competitive wages, equal opportunity, diversity, inclusion, and the prevention of sexual harassment and child labour, as outlined in its Global Human Rights Statement. Supported by a robust talent management system, PPL offers comprehensive learning, career development, and engagement programmes. With a patient-consumer-

customer-centric business model, PPL is dedicated to understanding and meeting the evolving needs of its stakeholders, broadening access to quality care and medicines, and positively impacting lives.

The Company strives to enhance its performance in key areas such as human capital management, patient and customer centricity, occupational health and safety, and community development.

17.3%
OF THE GLOBAL WORKFORCE ARE WOMEN

>15
PERSON HOURS FOR E-LEARNING

68%
EMPLOYEE ENGAGEMENT SCORE FOR PPL

100%
EMPLOYEES ARE PAID ABOVE MINIMUM WAGE



Human Capital Management

PPL's core value of 'Care' is actively embodied in its human capital management through a comprehensive ESG policy. This policy emphasises recognising and valuing employee diversity, including background, ethnicity, skills, and thought processes. 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. PPL strives to foster a discrimination-free workplace with zero tolerance for human rights violations and enhance engagement through regular employee surveys. This commitment is further reflected in its diverse workforce, enriched by various nationalities, cultures, genders, and experiences.

Transparency in Hiring

PPL upholds transparency and equality in hiring, valuing each candidate's potential without discrimination based on age, gender, race, religion, or any other status. Our recruitment process attracts top talent from esteemed institutions and organisations. The Career Opportunity Programme (COP) at PPL is aimed at building an ecosystem for employee's career growth and professional growth. The policy aims to provide internal job market for employees using the Career Opportunity Programme. The hiring process at PPL is fully automated and hosted on Oracle Recruiting Cloud, with established Standard Operating Procedures (SOPs). Online psychometric and reasoning ability tests are conducted, interview feedback is obtained, reviewed and reported based on these assessments. An independent third party, audits the recruitment process and controls

regularly. Key hiring metrics, such as sourcing-to-selection ratios, sources of hiring, and turnaround times, are tracked using Qlik Sense and reviewed periodically by business leaders. Background verification is also conducted through external agencies in accordance with geography-specific regulations. Adequate controls are in place to verify the age limits, as prescribed by applicable regulations, at the time of appointment. During hiring, the Company does not retain original hard copy of the candidates' documents as the recruitment process is fully automated. During the reporting period, PPL hired 1,809 employees. The breakdown of these hires by gender and age group is detailed below. 12 senior leaders hired during this period. The average hiring cost per employee is ₹ 1.2 Lakhs.

New Hires

Category	*Age-wise			*Gender-wise	
	<30 Years	30-50 Years	>50 Years	Male	Female
Permanent Employees/Workers					
Senior management	0	8	4	11	1
Middle management	2	72	19	72	21
Junior management	901	737	60	1,378	326
Workers	0	0	0	0	0
Total new hires	903	817	83	1,461	348

*The date of birth (DOB) of 86 employees is not disclosed.

NURTURING TALENT

Employee Turnover in FY 2023-24

The pharmaceutical industry is experiencing significant growth, with leading companies expanding their capacities to meet increasing demands. This industry growth has significantly heightened the demand for skilled talent. Recognising this trend, PPL conducted an in-depth review to identify and nurture top talent within the organisation for critical positions. In FY 2023-24, the Company demonstrated a firm commitment to nurturing internal talent and offering growth opportunities to their workforce, with approximately 6% of employees receiving internal promotions during year-end review process in FY 2023-24. PPL concentrated on enhancing their employees' skills to prepare them for advanced roles within the organisation. During FY 2023-24, 11% of open positions were filled with internal talent. In FY 2023-24, PPL experienced a turnover rate of 20.89% among permanent workforce with 15.86% of voluntary turnover rate. Despite the competitive landscape in the pharmaceutical industry posing challenges for talent retention, PPL's comprehensive approach to employee engagement and development is essential in mitigating turnover.

Voluntary Attrition Rate Analysis for Permanent Workforce (%)

FY 2022	18.99
FY 2023	18.33
FY 2024	15.86



Chairperson's Awards FY 2023-24

Turnover Rate

Category	*Age-wise			*Gender-wise	
	<30 Years	30-50 Years	>50 Years	Male	Female
Senior management					
Resignation	0	8	3	11	0
Retirement	0	0	1	1	0
Middle management					
Resignation	0	80	16	78	18
Retirement	0	0	5	3	2
Junior management					
Resignation	471	633	86	982	217
Retirement	0	0	35	27	8
Workers					
Resignation	2	2	3	7	0
Retirement	0	0	13	12	1
Total turnover	-			1,121	246

*The Date of Birth (DOB) of 22 employees is not disclosed.

In FY 2023-24, overall attrition was reduced by 9.24%. Various measures were taken to retain the latest talent. Measures include but are not limited to, the implementation of a five-day work week, the introduction of a retention incentive, revision of the flexible retirement policy, promotion of internal movements, strengthening functional academies, the introduction of Long-Term Incentive (LTI) for Band 4 and above employees, and various other actions based on Prism findings employee feedback during Focus Group Discussions (FGDs) and exit interviews were implemented.

Employee Engagement

PPL fosters a deep sense of belonging by actively engaging employees through a blend of virtual and in-person activities, festive celebrations, and various recognition programmes. Every two years, the Prism survey provides valuable insights into employee satisfaction and areas for improvement. PPL's commitment to engagement is evident in diverse programmes such as family day, annual celebrations, and site-specific events, including local festivals and business milestones. The Company also hosts sports events and quarterly recognition programmes like the R&R at sites and the prestigious annual PPL Chairperson Award. Career development is prioritised through PLU programmes, talent management initiatives, and comprehensive talent reviews. Regular employee communication is maintained via reach-out sessions, global town halls, skip-level meetings, and leadership connect forums. New hires and exited employees contribute feedback through dedicated surveys to enhance future experiences. Site-specific calendars ensure that local events are celebrated, and long service awards are given in accordance with global recognition guidelines. This multifaceted approach underscores PPL's dedication to nurturing an inclusive and engaging work environment.

Rewards and Recognitions

Recognising employees is integral to PPL's culture, where both formal and informal rewards play a crucial role. Business projects such as Kaizen conventions are celebrated, rewarding the best teams for their innovative contributions. Nominations for awards are encouraged from all levels, allowing employees to nominate themselves, peers, or colleagues from cross-functional teams. The PPL Chairperson's Award, introduced in 2022, stands as a prestigious accolade celebrating outstanding contributions that inspire and set benchmarks for excellence. This multifaceted approach ensures that dedication and excellence are recognised and celebrated across the organisation, reinforcing a culture of appreciation and motivation.



Family Day, Kurla

Employee Benefits

At PPL, employee engagement is deeply intertwined with ensuring adherence to statutory benefits while offering comprehensive, additional perks across geographies. Beyond legal requirements, the Company provides enhanced benefits such as Future Service Gratuity, Term Insurance, and Flexible Benefit Pay in India, along with Paternity Leave to support family needs. The safety, welfare, and well-being of employees and their families are paramount, with provisions like subsidised transportation and canteen facilities ensuring daily comfort. Mental well-being is supported through programmes like Piramal Rx, available in India and North America, with a full-year calendar of activities in place. The Company promotes work-life balance through a Flexi-Work Policy and various connect programmes. Regular tracking ensures compliance with minimum wage laws, and adherence to statutory requirements is rigorously maintained. Employees benefit from an inclusive environment with Parental

Leave, Group Medical Claims, Life Insurance, Disability Coverage, and stock ownership benefits. Furthermore, 100% of employees earning above minimum wages receive comprehensive coverage, including Life Insurance, Healthcare, and Retirement Provision, while a substantial percentage receive Provident Fund, Gratuity, and other retirement benefits. In the event of operational changes, employees are given adequate notice period, demonstrating the Company's commitment to fair and supportive employment practices.

Temporary employees are provided with all the benefits as per the regulatory requirements in the respective territories except for specific benefits like ESOP and performance pay review.

Parental Support

Leaves are granted to the parent irrespective of gender and a parental support scheme. Return to work rate and retention rate for FY 2023-24 are 99.51% and 88.27%, respectively.

Retention Rate (India)

Category	Return to Work Rate (%)	Retention Rate (%)
Male	100	90.16
Female	91.67	61.54
Total	99.51	88.27

Childcare Support

Childcare assistance is provided to employees with children under the age of six via in-house crèche services and other partnerships with external crèche.

Flexible Work Policies

PPL strives to offer flexible working arrangements to support its employees' diverse needs. Remote working options are available to attract and retain talent for specific roles.

The Company provides flexible working hours and work-from-home opportunities whenever job requirements permit. PPL also accommodates shift schedules and compressed workweeks. Policies and systems are in place to effectively manage these arrangements. By offering flexible working hours, PPL aims to help employees achieve a better balance between their professional and personal responsibilities.

Capturing the Voice of Employees

At PPL, listening to employees is recognised as a cornerstone for cultivating a positive work environment, enhancing engagement and satisfaction, and driving organisational success. In line with this commitment, PPL conducted its second Prism Employee Engagement Survey in collaboration with Kincentric, a global consulting firm specialising in culture and engagement, leadership assessment, and development. With an impressive 84% participation rate, the survey yielded an employee engagement score of 68%, surpassing the industry benchmark by 8% points.

The survey identified PPL's key strengths to enhance further while pinpointing areas for improvement. The senior leadership team and HR are committed to developing action plans to address these areas, enriching the overall employee experience and reinforcing PPL's commitment to becoming an 'employer of choice'.

Developing the Talent for Tomorrow

At PPL, continuous growth and employee development are paramount. Key initiatives include:

Piramal Leadership Series

The Piramal Leadership Series is a set of flagship role-based leadership programmes designed for a targeted profile of learners based on their organisational bands. The primary objective of these programmes is to enhance employees' capabilities, enabling them to excel in their current roles and develop essential leadership skills aligned with Piramal Success Factors.

The three flagship programmes within the Piramal Leadership Series are:

**PLS I
Leading Self**

**PLS II
Business Excellence & People Excellence**

**PLS III
Leading Managers Business Excellence & People Excellence**

These programmes employ real-time practices, tools, methodologies, action plans, and discussions on key personal growth concepts. Participants gain a deeper understanding of their existing competencies and identify the critical leadership skills they need to develop.

Building the Leadership Pipeline

To identify successors for critical roles and assess the talent health and capability needs of the business, we conduct the Talent Review and Succession Planning process for over 400 mid, senior, and top management employees.

We focus on nurturing high-potential talent at junior and mid-management levels through the Ignite and Ascend programmes respectively. Participants of these programmes undergo a comprehensive development journey spanning 9-12 months. Individual and team projects, coupled with executive coaching and leadership programmes by Harvard provide a well-rounded experience and exposure to the participants, equipping them to build their skills for future leadership roles. In FY 2023-24, 40 employees graduated from these programmes, 60% of employees acknowledged significant skill enhancement, leading to more than a 10% positive impact on business outcomes.

Summit represents a bespoke leadership development programme designed specifically for select senior leaders to amplify their strategic and social presence for inspiring diverse stakeholders towards agile decision-making. It endeavours to cultivate an environment conducive to collaboration, innovation, and overarching growth initiatives.

Induction Programmes

PPL ensures a consistent onboarding experience worldwide through a standardised Day 1 induction programme for all new employees. Additionally, the 'Discover Piramal Pharma' programme is tailored for new joiners at mid-senior levels, offering insights into the Company's Purpose, Values, and Culture alongside a business overview. Customised programmes include 'HeadStart' for Summer Trainees and 'Launchpad' for Management Trainees, aimed at nurturing a talent pipeline by attracting the talent from campuses. These programmes involve cross-functional and business rotations to promote talent fungibility.

Functional Academics

At PPL, the importance of functional skills development for individual and organisational success is recognised. PPL operates nine functional academies specialising in IT & Digital, Human Resources (HR), Finance, Shared Services, Quality, and Sales to facilitate this. Each academy offers a blended learning journey comprising learning workshops, e-learning modules, assignments, practice sessions, and assessments leading to certifications for learners. The curriculum is curated by in-house Subject Matter Experts (SMEs), supplemented by external insights as required. In FY 2023-24, the academies covered 1,601 learners across the Company.

Piramal Learning University

PLU VC is a comprehensive learning platform offering over 20,000 courses, enabling employees to upskill themselves conveniently with just a click of a button. This platform allows employees to develop skills that will benefit them in their current or future roles. Additionally, it supports the organisation in achieving its business objectives by offering a wide range of e-learning courses and training modules that empower employees to take charge of their development. Notably, more than 85% of active employees have leveraged our e-learning platform for their skill development

Sustainability Programmes

PPL has an e-learning course to build awareness of sustainability that was developed in-house. Launched on World Environment Day, the module covers the concept of sustainability, its importance in the business environment, the benefits of integrating sustainability into business, and PPL's sustainability framework and strategy. The module is mandatory for employees at Band 4 and above and is automatically assigned to new joiners, with an annual refresher required. For FY 2023-24, the module is also being rolled out to Band 3 and below. In the reporting year, 61% of employees across all business units have completed the ESG training. The Company is committed to covering 100% of employees through ESG training by FY 2025.

Training Hours

Through learning and development initiatives, PPL strives to continuously upskill its employees, enabling them to progress within the organisation and reach their full potential. The programmes mentioned above are some of the key interventions. During the reporting period, PPL imparted 1,06,375 training hours to the employees. 224 employees were trained on Diversity, Inclusion, Belonging and Accessibility (DIBA). Prevention of Sexual Harassment e-learning module was facilitated on our Piramal Learning University Virtual Campus through which 100% new joiners having access to the platform were covered. Furthermore, 100% of the Board of Directors (BoD), Key Managerial Personnel (KMP) were provided awareness of the PPL sustainability framework. PPL collaborated with online educational platforms like Harvard Business Publishing and Skillsoft to facilitate external learning opportunities for all employees.

Time Frame	Total Average Learning Hours Per Employee	
	Male	Female
Q1 FY2023-24	9.23	9.31
Q2 FY2023-24	6.78	7.72
Q3 FY2023-24	7.36	9.83
Q4 FY2023-24	6.72	7.07

Training of Contract Workers

PPL is dedicated to ensuring that all contract workers receive thorough training on sustainability principles, Human Rights, and Occupational Health and Safety (OHS). PPL's Global Human Rights Statement and ESG policies underpin this training, which covers all relevant aspects of compliance and best practices. PPL has established clear procedures and offers ongoing support to ensure that contract workers are well-informed and adhere to sustainability and human rights standards. Regular monitoring and feedback mechanisms are in place to assess the effectiveness of this training.

Training of Security Personnel

PPL prioritises comprehensive training for security personnel, guided by PPL's Global Human Rights Statement, Sustainability principles and relevant policies. This training covers crucial areas such as human rights, ethical conduct, and compliance with security procedures. We ensure that all security staff are well-versed in these standards through regular, detailed sessions.

Performance Evaluation

PPL uses a structured performance management system to conduct timely performance appraisals for all eligible employees. There is a process of mid-year review, talent review and year-end performance review. The Company has established processes to gather formal feedback from internal stakeholders during employee performance and potential assessments.

Recommendations are reviewed and approved at various management levels, including the Chairperson. PPL encourages internal moves through career opportunity programmes. Learners and performers are recognised through internal rewards and recognition programmes. PPL ensures that all employees and workers receive performance and career development reviews. In FY 2023-24, 100% of employees received a regular performance and career development review.

Diversity, Inclusion, Belonging & Accessibility (DIBA)

PPL is committed to building a workplace that embraces diversity and inclusion while creating a sense of belonging and providing accessibility for all. Our efforts in this regard encompassed multiple initiatives in FY 2023-24, enabling us to make significant progress in our journey towards Diversity, Inclusion, Belonging, and Accessibility (DIBA). The first step in this direction involved the launch of our global DIBA guidelines which defined our commitment, priorities, initiatives, measures, and guidelines across the employee lifecycle. The intent was to enable our employees to perform optimally and build a culture that is intrinsic to our continued success. Our DIBA sensitisation workshops targeted unconscious bias in the workplace and solicited commitment from leaders regarding specific actions they would undertake to mitigate bias, both personally and professionally.

To enhance the capabilities of our woman colleagues, PPL launched the EmpowerHer programme. This initiative guided an all-women cohort through self-discovery and application-based learning, preparing them for future organisational roles. The 'Inspiration at Work' sessions, conducted under the SHE Talks banner, offered internal and external perspectives, enabling women colleagues to gain insights from the experiences of successful and resilient women inside and outside the organisation.

PPL also initiated Women's Circles, a network of supportive women colleagues, providing a safe and empowering space for discussing unique challenges and learning from each other's experiences. This knowledge transfer is invaluable for career growth

43.62%
WOMEN IN STEM RELATED POSITIONS

7.90%
OF WOMEN IN MANAGEMENT POSITIONS IN REVENUE-GENERATING FUNCTIONS



7 Pride Month Celebration, London Office

and personal development. The Company believes that women's circles will help women employees be more empowered and create an inclusive and diverse workplace culture.

Our efforts yielded tangible results in key metrics related to gender diversity. For the reporting year, women represented 17.3% of the workforce (including apprentices), vis-a-vis 15.3% in the previous year. Our senior leadership roles have a 12% women representation and 30% of the Company's Board members were women for the reporting year.

PPL has made substantial progress in hiring women from campus. In the reporting year, 72% of campus hires were women which included engineering trainees from premier campuses, summer and management trainees, and graduates and post-graduates with specialisation in Pharma against the set target of 25%.

Other Initiatives towards Our DIBA Commitment

- Second Innings Program for hiring women who wish to return to work after a career break

- Reboot Policy for returning mothers piloted for the Head Office with the aim to provide a seamless career experience to women through the maternity phase and successful transition post their return to work, including experience design for adoptive mothers and mothers who undergo pregnancy loss
- Women hiring increased at sites, especially in quality control, R&D, customer centricity, safety, and HR functions
- Investments in infrastructure to build more inclusive workspaces
- Project Avanti kickstarted to increase women's representation in its frontline sales team
- Karuna Fellowship - Our partnership with Piramal Foundation to provide skill enhancement and employment to women from marginalised backgrounds
- International Women's Day celebrated across the globe with sponsorship from senior leaders
- Celebration of Pride month across the globe

1,089
PERMANENT WOMEN EMPLOYEES

30%
WOMEN REPRESENTATION ON BOARD IN FY 2023-24

12%
WOMEN IN SENIOR LEADERSHIP ROLES

72%
OF CAMPUS HIRES ARE WOMEN (AGAINST A SET TARGET OF 25%)

17.67%
OF WOMEN IN ALL MANAGEMENT POSITIONS (JUNIOR, MIDDLE AND TOP MANAGEMENT)

100%
COMPLIANCE WITH POSH GUIDELINES

Women Representation in the Global Workforce

Women Representation in the Global Workforce (%)



Women Hires (%)



7 Received ET Now Best Organisation for Women 2024

Empowering Pay Parity

Pay transparency drives to bridge the gender pay gap. Together, PPL builds an inclusive and equal workplace.

Remuneration Ratios of Women to Men in PPL

Employee Category	Ratio of Basic Salary of Women to Men FY24	Ratio of Total Fixed Pay of Women to Men FY24
Senior management	1.39	1.34
Middle management	0.94	0.99
Junior management	0.99	0.96
Workers	0.88	0.87

Inclusive Workplace

PPL ensures discrimination-free workplaces for differently-abled employees. Following the Rights of Persons with Disabilities Act, 2016, all premises are accessible. We endeavour to create inclusive workspaces facilitated by accessible infrastructure, robust and inclusive policies and processes and an enabling work environment. Currently, there are 2 differently-abled employees.



Our commitment to diversity, inclusion, belonging and accessibility is a business imperative which goes beyond compliance and will act as a critical lever as we strive to deliver our commitments to sustainability."

Puneet Rajput
Chief Human Resources Officer

Human Rights and Labour Practices

PPL's Global Human Rights Policy Statement is fully aligned with the United Nations Universal Declaration of Human Rights (UDHR) and the Guiding Principles on Business and Human Rights. This commitment involves addressing crucial issues such as employee safety, eradicating child and forced labour, preventing discrimination and harassment, and ensuring workplace security. PPL guarantees that both its operations and supply chain are free from child and forced labour, and the Company fosters a harassment-free workplace environment. It is also committed to safeguarding employee rights, including the right to privacy, freedom of association, and the ability to join trade unions.

Upholding Human Rights Standards

In FY 2023-24, PPL reported zero human rights violations involving indigenous people, zero instances of child labour, forced labour and discrimination within its operations, and zero cases of discrimination. Additionally, security personnel have received formal training in the organisation's human rights policies or specific procedures and their security application.

However, operations and suppliers where the right to freedom of association and collective bargaining may be at risk require further attention. In India, 96.2% of permanent workers are members of associations or unions across all operations. The measures taken by the Company during the

reporting period are designed to support the right to exercise freedom of association and collective bargaining.

PPL's, employees are encouraged to raise concerns about human rights, including discrimination and harassment, freedom of association, working conditions, and forced and child labour, through the anonymous reporting platform SpeakUp.

Child and Forced Labour

To combat child labour, forced labour, and human trafficking, PPL has implemented a robust grievance mechanism that allows employees and stakeholders to report concerns confidentially and safely. Verifying the age of candidates before hiring is crucial to ensure compliance with legal working age requirements and to prevent minors' employment. The Company conducts internal audits by external agency and social impact assessment for contractual labours in India through NGO. Continuous monitoring of internal controls and the effectiveness of preventive actions is also conducted for identifying risks and promptly addressing any incidents. Additionally, PPL regularly conducts awareness training on these issues empowers employees with the knowledge to recognise, prevent, and report any form of exploitation in the workplace.

PPL strictly prohibits the hiring of the young workers (less than 18 years old), however in some cases PPL may hire young workers, but have sufficient safeguards to protect human rights.

Social Dialogue

Social dialogue plays a crucial role in fostering fair and productive workplaces through collective agreements and employee representation. A collective agreement on working conditions sets clear, mutually agreed-upon standards between employers and employees, ensuring fair practices. As per global human rights policy, PPL respects the right of the workers to freely associate, to form or join workers organisation. The Company ensures two-way communication so that employee openly communicate, share ideas and concerns with management regarding working conditions, management practices without fear of discrimination and retaliation. Employee representatives or bodies, such as works councils, provide a structured channel for addressing concerns and negotiating terms. 7.96% of workforce are covered by formally elected employee

representative. Moreover, collective agreements on health and safety ensure that workplace conditions meet high standards, protecting employee well-being. These elements collectively contribute to a collaborative and supportive work environment. 7.96% of total employees covered by collective bargaining agreements.

Working Conditions

The global human rights policy commits to provide safe and healthy workplace and comply with applicable safety and health law and regulations.

The policy further commits to maintaining free from violence, harassment or other unsafe environment due to internal or external threats. Ensuring optimal working conditions involves a comprehensive approach addressing various aspects of employee well-being and satisfaction. At PPL, Family-Friendly Programmes (FFPs), such as parental leave, childcare services, and allowances, support employees in balancing work and family life. A bonus scheme linked to Company performance aligns individual contributions with organisational success, while compensation for extra or atypical hours ensures fair pay for additional efforts. A two-way communication system facilitates employee input on working conditions, and regular employee satisfaction surveys gauge workplace morale. Flexible work arrangements, such as remote work and flexitime, cater to diverse needs, while actions to provide adequate housing and comprehensive healthcare coverage further enhance employee welfare. Transparent communication regarding remuneration, including salary grids and advancement procedures, ensures clarity and trust in the compensation process.

Living Wages

PPL prioritises providing a living wage for all its employees. PPL's Remuneration Committee actively looks into the matter of living wage, ensuring equitable pay for its workforce.

The Company recognises that fairness in providing a living wage is essential for its long-term sustainability, growth and success. PPL has incorporated fair wage considerations into its broader business strategy for workplace fairness, with an aim to cultivate a motivated and dedicated workforce.

Retirement Plans and other Benefits

PPL is committed to offering long-term stability to its employees through comprehensive retirement plans and a variety of benefits.

Contribution to Defined Benefit Schemes	FY 2024 (₹ Cr)	FY 2023 (₹ Cr)
Provident fund	129.64	114.92
Gratuity	5.45	3.64
Superannuation fund	0.27	0.27

Community and Security

PPL's approach to community and security is guided by its Global Human Rights Statement, which outlines the Company's commitment to safeguarding community well-being and employee safety. The Company implements comprehensive procedures and provides targeted training to ensure all employees are well-informed about their roles in maintaining security and fostering positive community relations. A robust redressal mechanism is in place to address any concerns or issues that may arise. The leadership team at PPL closely monitors key performance indicators to ensure that policies and practices effectively support and protect its communities.



OCCUPATIONAL HEALTH AND SAFETY (OHS)

Zero
FATALITIES REPORTED IN THE
LAST THREE FINANCIAL YEARS

At PPL, Safety is one of the foundations to our journey of profitable growth. Value of care strive for a 'zero harm' ethos, aiming to ensure the safety of our employees, contractors, visitors, and the surrounding community. We firmly believe that all work-related injuries and illnesses are preventable, and our guiding principle of 'Doing Well and Doing Good' underpins our commitment to Employee Health and Safety drives for continuous improvement in OHS Management system.

OHS Management System

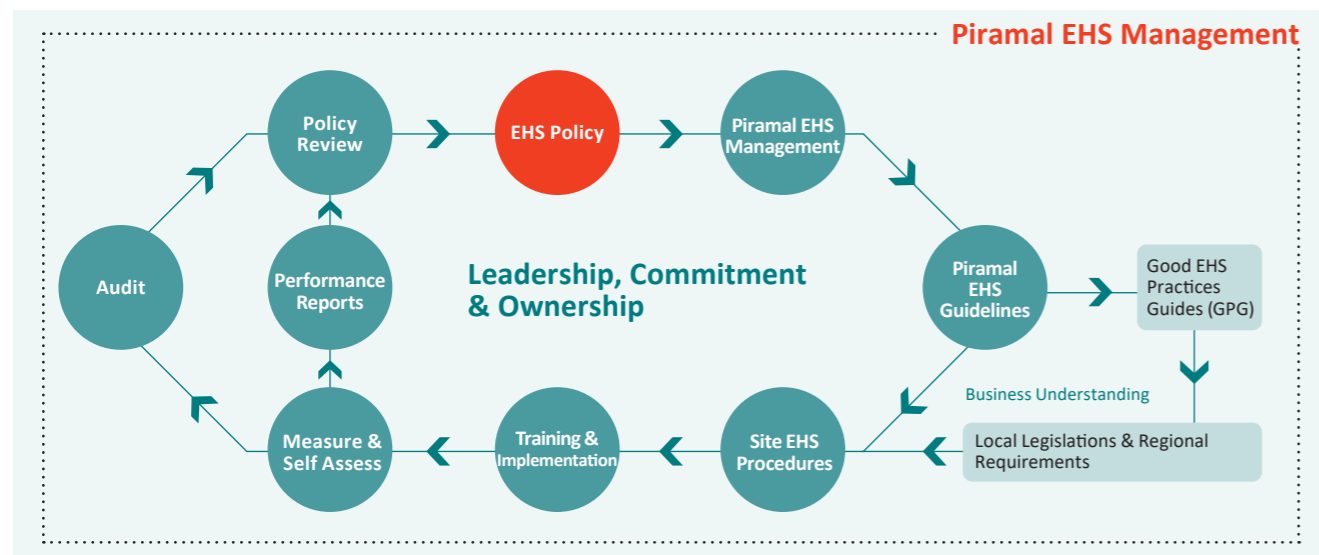


Health and Safety is governed through global Environmental, Health, and Safety (EHS) policy which is applicable for all directors, full and part-time employees, contractors, sub-contractors and consultants involved in conducting PPL's business. This policy is anchored in our six guiding codes and supported by 54 specific guidelines (Piramal EHS guidelines), 45 of which are dedicated

to health and safety. Moreover, we have instituted 12 mandatory Life Safety Rules (LSR) at our sites to ensure strict compliance and enhance overall safety. Auditing is a crucial component of Piramal's EHS management system. In FY 2023-24, re-certification audits for ISO 45001 were carried out at six of our nine India sites: DIG, ENN, PIT, MAH, DHJ,

and PPDS. Additionally, all sites undergo a thorough internal EHS audit, regulatory and customer EHS audits ensuring comprehensive oversight and adherence to our standards.

Globally 6 sites certified for ISO 45001:2018 and ISO 14001:2015



OHS Leadership

85 Global OHS professionals.

Creating a safe environment is essential for achieving the goal of zero harm. Our team includes a robust network of subject matter experts in process safety, industrial hygiene, occupational safety, and health, both at the site and central levels. OHS leadership plays a crucial role in embedding EHS policies into daily operations, facilitating thorough training, and engaging effectively with all stakeholders.

By addressing compliance gaps through Corrective and Preventive Actions (CAPA) and promoting a strong safety culture, our leaders drive continuous improvement and ensure successful EHS policy implementation.

People Safety

Safety Cultural Transformation Journey: Project Lighthouse

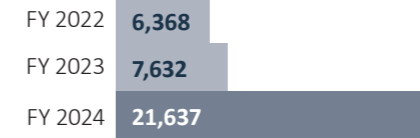
183% increase in leading indicator reporting (Unsafe act, Unsafe condition and Near-miss) compared to FY 2022-23.

PPL's Project Lighthouse is designed to strengthen safety culture across our three manufacturing sites in India by embedding safety as a core organisational value. Key initiatives include:

- Behavioural Interventions:** A 7-step behavioural intervention is being implemented to drive systematic changes in safety behaviours.
- Incident Investigations:** A structured 9-step incident investigation process has been established to ensure effective learning and improvement from incidents.
- Competence:** A competence matrix and site-specific training plans are in place, along with ongoing human factors training for shop floor employees.
- Standards:** A harmonised approach is being used to develop and implement new safety standards.

Project Lighthouse is elevating safety from a priority to a core value within our organisation, leading to improved leading indicator reporting and a reduction in Lost Time Injury Rate (LTIR) compared to the previous fiscal year.

Unsafe Act, Unsafe Condition, and Near Miss



Lost Time Injury Rate* (LTIR) (per 200,000 person hours worked)

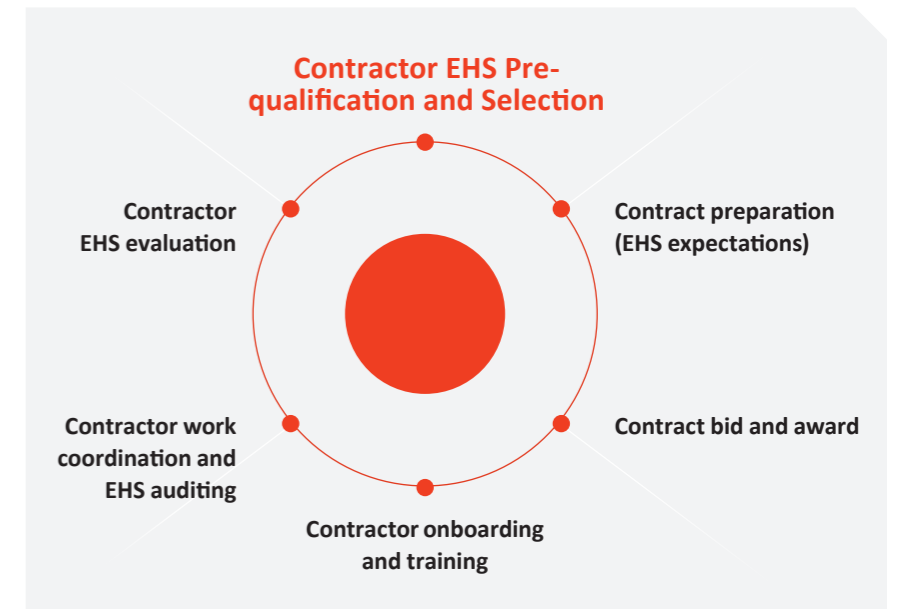


*Including employees and contractual workers.

Contractor Safety Management

22.6 person hours of training per contractor worker for FY 2023-24.

At PPL, our contractor safety management process ensures rigorous EHS compliance through a structured six-step framework. This includes pre-qualification, detailed orientation, ongoing monitoring, incident reporting and investigation, and regular performance evaluations. Contractor employee safety training is provided in three levels - Basic safety, Job-specific safety, and Job-specific training. Our Safety Park initiative enhances safety awareness among employees, contractors, and visitors, starting with a comprehensive safety induction process. This comprehensive approach ensures all contractor activities meet our high safety and compliance standards.



➤ Safety Park at Ennore, India



➤ Safety Park at Digwal, India

Process and Equipment Safety: Seven Step Risk assessment

As part of our risk assessment framework, we implemented a structured seven steps hazard study process to ensure comprehensive safety and compliance. This systematic approach ensures that new products and processes are introduced safely and efficiently. This includes risk assessments, preliminary and detailed hazard reviews, Hazard and Operability studies (HAZOP), post-construction and Pre-Start-Up Safety Reviews, and operational reviews after start-up. The Company notifies 3 weeks prior to its employees and their representatives before implementation of significant operational changes. This ensures comprehensive safety for employees, equipment, and the broader community.



Safety is non negotiable and linked to our organisational value. Project Lighthouse focusing on Human factors will give us the required drive in safety culture enhancement."



Herve Berdou
Chief Operating Officer, PPS

Safety Digital Transformation Journey: MySafe Portal & Chemwatch Integration

The MySafe Portal is a digital platform designed for comprehensive EHS monitoring and reporting. It enables incident reporting, global communication across facilities, and oversight of EHS audits and investigations. The portal manages incidents, near-miss learning, Corrective and Preventive Action (CAPA) management, and staff health assessments, and disseminates organisational insights gained from these events.

To enhance our safety management practices, we have integrated Chemwatch, a leading software solution for managing Safety Data Sheets (SDS) and chemical hazard information. Chemwatch ensures we have current and accurate SDS, facilitating compliance with environmental and safety regulations. This platform streamlines the management of chemical safety data, supports responsible chemical use, and contributes to a safer workplace.



7 Toolbox Talk



7 On-field Training



7 Classroom Training

20.1
HOURS PER EMPLOYEE PER YEAR IN SAFETY TRAINING

Safety excellence through Employee Engagement:

We cultivate a culture of safety excellence by providing ongoing training and learning opportunities for all employees, including new hires. This year, we invested approximately 20.1 hours per employee in safety training, underscoring our commitment to their well-being and empowering them to integrate safety into their daily tasks, thereby advancing our goal of safety excellence.

PPL is devoted to continuous training for all staff, including contract workers, through a range of programmes from induction to advanced on-the-job training. We promote virtual self-learning and leverage Piramal Learning University for EHS training, including a recent module on incident investigation, which has achieved over 80% global participation.

Core OHS Team Capability Building

This year, we strengthened our OHS team's expertise through targeted training sessions in process hazard analysis, industrial hygiene, and sustainability. Additionally, we hosted an EHS&S Boot Camp at IIM Mumbai and Piramal Learning University Kurla, bringing together EHS professionals from across India.

Our comprehensive approach to occupational health and safety is a testament to our dedication to create safer and more sustainable work environments, aligning with our broader sustainability goals.



7 Sustainability and EHS Team Capability Building, IIM, Mumbai

Industrial Hygiene

Aligned with PPL's EHS Management Framework, Code 3 focuses on employee and contractor health, with industrial hygiene being a key component. We have enhanced our risk assessment processes by integrating Smartsheet for qualitative exposure assessments, which boosts efficiency and accuracy. This automation allows us to focus more on proactive health and safety management. For quantitative assessments, we analyse hazards such as chemicals, noise, and ergonomics, using data to improve controls and implement targeted measures to address high-risk activities.

Occupational Health

At PPL, our occupational health initiatives are rigorously aligned with the local and international standards. The Factory Medical Officers (FMO) and paramedics ensuring comprehensive health and safety standards in our operations. We prioritise the well-being of our employees by adhering to legal requirements for workplace health, which include regular medical examinations, maintaining a clean and safe working environment, and providing necessary health facilities. Our approach includes continuous monitoring of occupational health risks and the implementation of preventive measures to mitigate potential hazards, thereby safeguarding the health of our workforce.

Work-related Ill Health in FY 2024

Description	Male	Female
Fatalities as a result of work-related ill health	0	0
Cases of recordable work-related ill health	0	0

For all workers, who are not employees but whose work and/or workplace is controlled by the organisation in FY 2023-24.

Description	Male	Female
Fatalities as a result of work-related ill health	0	0
Cases of recordable work-related ill health	0	0

Description	FY 2023-24
Lost Time Injury Rate (LTIR)* (per 2,00,000 hours worked)	0.09
Total recordable work-related injuries	30
No. of fatalities	0
High consequence work-related injury or ill-health (excluding fatalities)	0
Person hours worked (permanent employees + contractual workers)	1,82,69,315
Safety Training hours/Employee	18.6

* Including employees and contractor workers.

CUSTOMER CENTRICITY

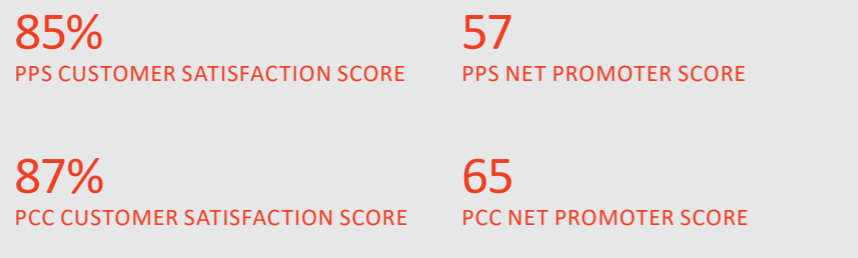
PPL is committed to embedding customer-centricity across its diverse business operations, ensuring that the needs and well-being of its customers are at the forefront of its strategic initiatives. This approach is encapsulated in the Company's guiding principles of Knowledge, Action, Care, and Impact, reflecting its dedication to enhancing customer trust and fostering long-term partnerships.

PPS Business	PCC Business	ICH Business
<p>The PPS business strives to be highly customer-centric, offering flexible and customised solutions to meet its clients' unique needs. By leveraging state-of-the-art facilities and a global footprint, the PPS business ensures high-quality and timely service delivery. It emphasises collaboration with clients to develop innovative and efficient processes, supporting their journey from concept to market. This customer-focused approach helps build long-term partnerships and achieve mutual success in the highly competitive pharmaceutical industry.</p>	<p>The PCC business is a key player in the global anaesthetics and intrathecal therapy market. With vertically integrated manufacturing capabilities spanning facilities in the US and India, PCC maintains a competitive edge through cost advantages and supply chain control. The business addresses complex hospital needs by providing inhalation anaesthetics and intrathecal therapies with high entry barriers due to the complexity of administration and specific equipment requirements. PCC's extensive distribution network covers over 100 countries, directly reaching hospitals and ensuring the delivery of critical care solutions worldwide.</p>	<p>The ICH business leverages a robust distribution network to reach chemists, grocers, modern trade outlets, and e-commerce platforms nationwide. The business operates on an asset-light model, focusing on brand promotion and consumer engagement through social media and celebrity endorsements, ensuring powerful resonance with its target audience.</p>

Together, these three business units exemplify PPL's commitment to customer-centricity. Each is tailored to meet the unique demands of its respective market while maintaining a unified focus on enhancing customer trust and satisfaction.

Customer Satisfaction

The Company conducts annual surveys among its customers and promoters, with the data analysed, compiled, summarised, and shared within the Company. Based on the survey results, action plans are developed, which are then built upon and followed up further.



Our commitment to sustainability benefits humanity, and therefore aligns with our core ethos of Patient Centricity.”

Stuart Needleman
Chief Commercial Officer & Chief Patient Centricity Officer, PPS

Customer Health and Safety

PPL places a significant emphasis on its customers' health and safety. It provides transparent information about its products and services through various channels, including its website, ensuring customers are informed about safe and responsible usage. PPL also provides product Safety Data Sheets (SDS) to its customers.

The Company implemented initiatives such as quarterly surveys, seminars, dedicated forums for patient awareness, senior management involvement, and one-on-one customer mapping with the leadership team for key customers. It also promoted the use of technology and software. Each manufacturing site has a Patient Awareness Council (PAC) comprising site employees from various functional roles. These councils are responsible for fostering patient-centric behaviour, sharing best practices, and brainstorming new ways to communicate the benefits of patient-centric behaviour to their sites, suppliers, and customers. The Patient Moments campaign, initiated by the site PACs, presents patient stories about drugs in progress at the site. This campaign raises awareness among employees about the significance of the products they manufacture.

Customer Privacy

PPL is committed to safeguarding customer privacy through a robust cybersecurity framework. This framework includes antivirus and anti-spyware protection, firewalls, remote data backups, and the latest software versions on secure computers and servers. The Company ensures that no data breaches occur by adhering to strict data protection protocols and maintaining the confidentiality and security of customer information.

Marketing and Labelling

PPL ensures that customers are well-informed about their products' safe and responsible use. This objective is achieved through meticulous product labelling and patient information leaflets. The Company's marketing efforts are robust, particularly focusing

on brands like Little's, Lacto Calamine, the i-range, Polycrol, and Tetmosol. These brands benefit from substantial investments in brand promotion and marketing, leveraging celebrity endorsements to build powerful consumer appeal. During FY 2023-24, there was zero non-compliance regarding marketing communications and zero non-compliance concerning product and service information and labelling.





Accessibility and Affordability

Accessibility and affordability are crucial to PPL, as the Company ensures that essential medications reach all individuals, regardless of their socio-economic status. By prioritising these factors, PPL improves public health outcomes, reduces healthcare disparities, and builds trust with patients and communities. Making treatments both accessible and affordable not only fulfills ethical responsibilities but also supports

long-term business sustainability by expanding market reach and enhancing the Company's reputation.

PPL has established a strong presence across various retail channels, reaching approximately 1,80,000 chemists, cosmetics stores, and gift shops. Additionally, PPL has secured placements in over 8,000 modern trade stores. PPL is actively expanding its e-commerce presence and is available on over 20 leading platforms in India. To further improve accessibility, PPL has launched its Direct-to-Consumer (D2C) website, Wellify.in, providing customers with a convenient way to engage with the brand directly. Moving forward, the Company plans to strengthen its distribution network by expanding into more towns and exploring new e-commerce delivery formats.

MULTI-CHANNEL DISTRIBUTION STRATEGY Presence Across Traditional and Alternate Trade Channels

<p>Wide Coverage across General Trade and Chemist Shops</p>  <p>Presence in ~180k chemists and cosmetics shops</p>	<p>Strengthening Presence in Modern Trade</p>  <p>Presence in over 8,000 modern trade outlets</p>
<p>Expanding Presence on e-Commerce</p>  <p>Presence on over 20 leading e-commerce platforms</p>	<p>Direct-to-Customer (D2C)</p>  <p>Own D2C website handling over 130K consumer orders every month</p>

COMMUNITY DEVELOPMENT

The Piramal Foundation, the philanthropic branch of the Piramal Group, chiefly executes PPL's Corporate Social Responsibility (CSR) initiatives. The foundation intends to address India's most challenging issues through innovation and partnership. Throughout the year, the Company invested ₹ 5.28 Crores in CSR initiatives, focusing primarily on enhancing health and education metrics in 112 aspirational districts across India, where over 1.5 Million people live below the poverty line.

To foster deeper collaboration between Piramal Foundation and PPL, 35 senior leaders from the Company immersed themselves in 12 aspirational districts in India. This exercise allowed them to observe the grassroots impact of the Foundation's work and its commitment to 'Doing Good.' Similarly, 25 leaders from the Foundation visited PPL's sites and Corporate offices to understand the Company's practices in sustainability, operational excellence, people management, marketing, and supply chain. Through this initiative, leaders invested around 600 hours, identifying critical areas for collaboration to be implemented in the next financial year.

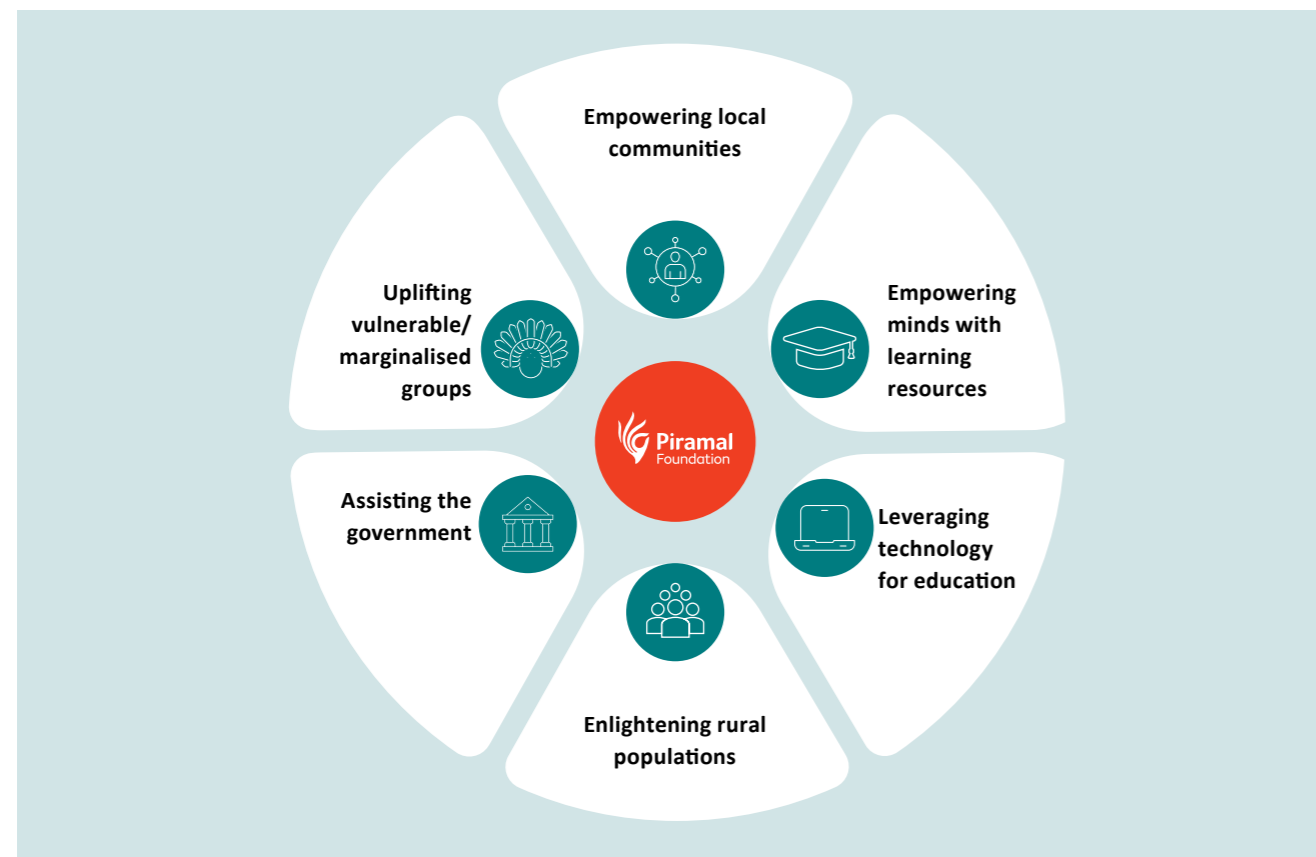
Employees Driving Change

Employee Social Initiatives (ESI) play a crucial role in fostering a sense of purpose and commitment among PPL employees. By engaging in ESI activities, team members connect their work to the broader societal good, enhancing their motivation and job satisfaction. PPL's ESI activities embody the Company's core values of knowledge, expertise, and innovation. PPL continuously seeks to deepen its understanding of social issues and to innovate creative solutions to address them. Employees participate in community development activities

and volunteer for initiatives including youth empowerment, education, health and nutrition, senior care, and environmental conservation. A dedicated portal allows employee volunteers, partner NGOs, and end-users to connect and identify opportunities to contribute to social good.

Piramal Foundation Initiatives

In FY 2023-24, the Piramal Foundation has extensively worked towards:



Pehla Qadam Programme for Local Communities

Piramal Foundation has launched the Pehla Qadam programme to boost women's workforce participation in PPL plants by 25% over the next three years. The initiative empowers eligible women and girls from local communities and colleges near the plants through a six to seven-month comprehensive self-transformation and vocational skills training course. The programme, managed by the foundation and a project implementation agency appointed by Life Sciences Sector Skill Development Council (LSSSDC), offers centre-based training and a monthly stipend of ₹ 2,500 to cover travel expenses. It is aimed at women and girls who have completed their twelfth grade with a focus on chemistry. Upon completion of the training, the Company will evaluate the certified trainees and may onboard them as apprentices. In its initial phase, the programme will provide courses for lab technicians (research and quality control) and store associates (pharma and bio), with graduates receiving certification from LSSSDC. A pilot programme at the Digwal facility is set to commence in the first quarter of the next financial year, promoting gender equity and empowerment within the workforce.



Empowering Education through Community Libraries

The inauguration of Nartap Village's first community library marked a significant milestone in PPL's commitment to advancing education and intellectual empowerment. This initiative was the result of a collaborative effort with the Piramal Foundation, Ri-Bhoi team, Goonj, Kankhu Educational and Charitable Trust, MOSONie Foundation, and the local Dorbar Shnong. Together, they brought this vision to life, establishing a vibrant centre for knowledge and learning. With a wide-ranging collection of books, the library served the residents of Nartap Village and surrounding communities, promoting a culture of continuous learning and personal development.

Zero Dropout Campaign for Rural Population

In Gadchiroli, Maharashtra, the Piramal Foundation's Zero Dropout campaign brought about a significant transformation in Amirja Village. The initiative engaged 200 community members in a series of awareness sessions covering crucial topics such as menstrual hygiene, child marriage prevention, and the importance of education. The sessions also provided information on government schemes like the Ayushman Card and ABHA Card, which offer valuable support to the community. By introducing innovative tools like the Google Read Along app and highlighting these government initiatives, the campaign sought to empower the community, laying the groundwork for a healthier, more educated, and empowered future for everyone involved.



Leveraging Technology for Education

Transforming Perspectives: Fostering Parental Confidence in Phone-based Learning with the Google Read Along App in Chamba District, Himachal Pradesh

Challenges Faced

In education, a significant hurdle emerged in parental hesitancy to provide cell phones to their children. Concerns over harmful internet content and potential eyesight damage cast a shadow on the idea of utilising phones for educational purposes.

Interventions Undertaken

Strategic awareness programmes were launched to boost literacy, engage children in reading, and build parental and community

confidence in the Read Along app. These sessions highlighted the app's benefits, addressed concerns, and promoted it as a valuable educational tool.

Outcomes Achieved

The intervention's impact was swift and resounding. Within a month, many installations of the Google Read Along app were recorded. This remarkable uptake signalled a positive shift in parental attitudes, reflecting a newfound confidence in leveraging phones for educational purposes.



Assisting the Government

Aspirational Bharat Collaborative Programme, a synergistic partnership between NITI Aayog and Piramal Foundation. It empowered district administrations to address complex demographic, geographic, and socioeconomic issues in India's most disadvantaged districts. By facilitating partnerships among government bodies, NGOs, youth organisations, faith leaders, panchayats, self-help groups, and communities, the programme aims to drive transformation in health, education, water, and social welfare ecosystems.

Uplifting the Vulnerable/Marginalised Groups

PPL addressed the concerns of vulnerable/marginalised group through various initiatives:

- Piramal Foundation partnered with the District Bureau of Employment and Enterprises in Ferozepur, Punjab, to conduct mid-training digital skill assessments for local youth under Mission Aagaz. This showcased the foundation's dedication to empowering marginalised communities through innovation and collaboration.
- Piramal Foundation introduced the Google Read Along (GRA) application to anganwadi workers in Nawapur block, Lahan Chinchpada village, benefiting 114 attendees. This initiative promoted literacy and empowerment among vulnerable populations by equipping caregivers with practical tools and knowledge.
- Piramal Foundation introduced Yuva Seva Sadan (YSS), operating in Patna, Bihar to harness the potential of youth leadership to drive positive impact and uplift underserved communities.
- Piramal Foundation developed a Mobile Medical Unit (MMU) and a static clinic, collectively known as Piramal Arogya Center, to deliver tailored healthcare services directly to remote communities. This initiative aims to extend quality primary healthcare, enhance antenatal care, improve community health awareness, and reduce complications related to diabetes and hypertension



through early detection. Services include screening, diagnosis, and referral for communicable and non-communicable diseases, antenatal care, post-natal check-ups, and treatment for minor illnesses. Laboratory tests, health education, and childhood immunisations are also provided. The initiative's output results in improved access to healthcare, fewer complications, and reduced work disruption due to illness, serving nearly 3,17,343 people so far.

Site Initiatives at PPL

PPL consistently communicates any significant actual or potential negative impacts their operations may have on local communities. During reporting, no significant impacts on communities have been identified. Additionally, individual PPL sites actively engage in social initiatives.

Supporting Children through NGOs

PPL collaborated with various NGOs that support special and differently abled children. These NGOs set up stalls at PPL sites, where employees purchased handicraft items made by the children. This initiative took place at PDS, PPDS, Ennore, and Pithampur.

Raising Money for Charity

- PPL employees participated in a chili competition taste test, each paying US\$ 5 to join. All proceeds were donated to the Breast Cancer Research Foundation.
- Employees also participated in a March of Dimes Walk, a 3k walk to support birth defect research.

Connecting with the Community

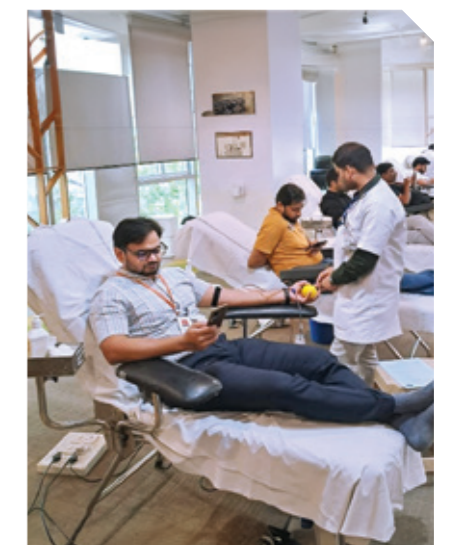
- Women employees at the Ennore site planted tree saplings alongside differently abled students.
- At the Mahad site, employees spent a day with special children, organising a painting activity and providing them with notebooks and snacks.
- The Patient Awareness Council (PAC) team celebrated National Doctors Day on July 1, 2023, by visiting two hospitals to honour doctors and healthcare professionals with bouquets and cakes.
- At the Digwal site, employees visited an orphanage, conducted drawing competitions, and donated cricket bats, groceries, and other essentials.
- Career counselling sessions, including one-on-one guidance and games, were held at various sites.

Donations

- An eight-day Daan Utsav was organised at the Pithampur site, during which employees donated educational materials, clothes, and other useful items to children in nearby areas
- The Bottomless Toy Chest at the Riverview site donated gifts to children with cancer
- Boy scout outfits were donated to Riverview Schools
- Donation boxes for clothes, books, utensils, and toys were placed in the cafeteria at the Ahmedabad site, with items distributed to those in need
- As part of the ESI initiative, a wish tree was placed on-site at Ennore, encouraging employees to contribute materials, books, and stationery items to needy children through collaboration with Sevalaya, an NGO
- At the Lexington site, employees partnered with Ronald McDonald House Charities to purchase and assemble toiletry bags, each accompanied by an encouraging note from PPL's Executive Committee
- Donations were made to produce books for hospitalised children in Aurora
- The Company sponsored a paramedic to take care of to the local society

Blood Donation Camps

In FY 2023-24, PPL employees dedicated 191 hours to blood donation camps at various locations, including Kurla, Pithampur, PDS, and PPDS.



➔ Blood donation drives across our facilities

GRI INDEX

Statement of Use	Piramal Pharma Limited has reported with accordance to the GRI Standards for the period between 1 st April 2023 to 31 st March 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None







GRI Standard	Disclosure	Description	SASB	UNGC	Reason for Omission	Page No./Remarks
GRI 2 General Disclosures 2021	2-1	Organisational details				1
	2-2	Entities included in the organisation's sustainability reporting				1
	2-3	Reporting period, frequency and contact point				1
	2-4	Restatements of information				1
	2-5	External assurance				1
	2-6	Activities, value chain and other business relationships				9-11, 36
	2-7	Employees				12-13
	2-8	Workers who are not employees				12-13
	2-9	Governance structure and composition				24-27
	2-10	Nomination and selection of the highest governance body				27
	2-11	Chair of the highest governance body				24
	2-12	Role of the highest governance body in overseeing the management of impacts				24-27
	2-13	Delegation of responsibility for managing impacts				24-27
	2-14	Role of the highest governance body in sustainability reporting				26-27
	2-15	Conflicts of interest				28
	2-16	Communication of critical concerns				28
	2-17	Collective knowledge of the highest governance body				27
	2-18	Evaluation of the performance of the highest governance body				27
	2-19	Remuneration policies				27
	2-20	Process to determine remuneration				27
	2-21	Annual total compensation ratio				27
	2-22	Statement on sustainable development strategy				6-7
	2-23	Policy commitments				27
	2-24	Embedding policy commitments				26-30, 73-74
	2-25	Processes to remediate negative impacts				28-29
	2-26	Mechanisms for seeking advice and raising concerns				27
	2-27	Compliance with laws and regulations				28
	2-28	Membership associations				4
	2-29	Approach to stakeholder engagement				18-19
	2-30	Collective bargaining agreements			Principle 3 (Uphold the freedom of association and the effective recognition of the right to collective bargaining)	77
GRI 3 Material Topics 2021	3-1	Process to determine material topics				20
	3-2	List of material topics				21
Specific Standard Disclosures (Category: Economic)						
GRI 201: Economic Performance 2016	3-3	Management of material topics				94
	201-1	Direct economic value generated and distributed				14-15
	201-2	Financial implications and other risks and opportunities due to climate change			PPL is in process of conducting climate risk assessment	
	201-3	Defined benefit plan obligations and other retirement plans				77
	201-4	Financial assistance received from government			PPL does not receive financial assistance from Government	






GRI Standard	Disclosure	Description	SASB	UNGC	Reason for Omission	Page No./Remarks
GRI 202: Market Presence 2016	3-3	Management of material topics				77
GRI 203: Indirect Economic Impacts 2016	3-3	Management of material topics				84
	203-1	Infrastructure investments and services supported				84-87
GRI 204: Procurement Practices 2016	3-3	Management of material topics				94
	204-1	Proportion of spending on local suppliers				36
GRI 205: Anti-Corruption	3-3	Management of material topics				28, 94
	205-1	Operations assessed for risks related to corruption			PPL is in process of assessing risks related to corruption	
	205-2	Communication and training about anti-corruption policies and procedures				28
	205-3	Confirmed incidents of corruption and actions taken				23
	3-3	Management of material topics				28
GRI 206: Anti – competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices				28
GRI 207: Tax 2019	3-3	Management of material topics				29
	207-1	Approach to tax				29
	207-2	Tax governance, control, and risk management				29
GRI 301: Materials 2016	3-3	Management of material topics				31,65
GRI 302: Energy 2016	3-3	Management of material topics				54
	302-1	Energy consumption within the organisation				54-55
	302-3	Energy Intensity				54
	302-4	Reduction of energy consumption				54
GRI 303: Water and Effluents 2018	3-3	Management of material topics				99
	303-1	Interactions with water as a shared resource				62
	303-2	Management of water discharge-related impacts				62-63
	303-3	Water withdrawal				62
	303-4	Water discharge				62
	303-5	Water consumption				62
GRI 304: Biodiversity 2016	3-3	Management of material topics				99-100
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Principle 7 (Adopt a precautionary approach to environmental challenges) Principle 8 (Conduct environmentally responsible activities)		61
GRI 305: Emissions 2016	3-3	Management of material topics				96-97
	305-1	Direct (Scope 1) GHG emissions		Principle 7 (Adopt a precautionary approach to environmental challenges) Principle 8 (Conduct environmentally responsible activities)		58
	305-2	Energy indirect (Scope 2) GHG emissions				58
	305-3	Other indirect (Scope 3) GHG emissions				58
	305-4	GHG Emissions Intensity				58
	305-5	Reduction of GHG emissions				57
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			The Company's emission-levels are monitored in compliance with applicable regulations and are well-below the permissible limits	

GRI Standard	Disclosure	Description	SASB	UNGC	Reason for Omission	Page No./Remarks
GRI 306: Waste 2020	3-3	Management of material topics				99
	306-1	Waste generation and significant waste-related impacts		Principle 7 (Adopt a precautionary approach to environmental challenges) Principle 8 (Conduct environmentally responsible activities) Principle 9 (Encourage the development and diffusion of environmentally friendly technologies)		64
	306-2	Management of significant waste-related impacts				64
	306-3	Waste generated				64
	306-4	Waste diverted from disposal				64
GRI 308: Supplier Environmental Assessment 2016	3-3	Management of material topics				37-38
	308-1	New suppliers that were screened using environmental criteria	Supply Chain Management HC-BP-430a.1	Principle 7 (Adopt a precautionary approach to environmental challenges) Principle 8 (Conduct environmentally responsible activities)		38
	308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management HC-BP-430a.1	Principle 7 (Adopt a precautionary approach to environmental challenges) Principle 8 (Conduct environmentally responsible activities)	PPL is in the process of supplier assessment and will identify suppliers having significant actual or potent negative impacts in near future	
Category: Social						
GRI 401: Employment 2016	3-3	Management of material topics				68-69
	401-1	New employee hires and employee turnover	Employee Recruitment, Development & Retention HC-BP-330a.1 HC-BP-330a.2	Principle 6 (Eliminate discrimination in employment and occupation)		69
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees				71
GRI 402: Labor/Management Relations 2016	401-3	Parental leave				71-72
	402-1	"Minimum notice periods regarding operational changes				71
GRI 403: Occupational Health and Safety 2018	3-3	Management of material topics				78
	403-1	Occupational health and safety management system				78
	403-2	Hazard identification, risk assessment, and incident investigation				78
	403-3	Occupational health services				81
	403-4	Worker participation, consultation, and communication on occupational health and safety				77
	403-5	Worker participation, consultation, and communication on occupational health and safety				79
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				80-81
	403-8	Worker training on occupational health and safety				78
	403-9	Work-related injuries				81
	403-10	Work-related ill health				81
GRI 404: Training and Education 2016	3-3	Management of material topics				72-73
	404-1	Average hours of training per year per employee				73
	404-2	Programs for upgrading employee skills and transition assistance programmes				72-73
	404-3	Percentage of employees receiving regular performance and career development reviews				73

GRI Standard	Disclosure	Description	SASB	UNGC	Reason for Omission	Page No./Remarks
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics				74
	405-1	Diversity of governance bodies and employees				75
	405-2	Ratio of basic salary and remuneration of women to men				75
GRI 406: Non-discrimination 2016	3-3	Management of material topics				76
	406-1	Incidents of non-discrimination and corrective actions taken	Business Ethics HC-BP-510a.2			76
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3	Management of material topics				76
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk				77
GRI 408: Child Labor 2016	3-3	Management of material topics				76
	408-1	Operations and suppliers at significant risk for incidents of child labour	Business Ethics HC-BP-510a.2			77
GRI 409: Forced or Compulsory Labor 2016	3-3	Management of material topics				76
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Business Ethics HC-BP-510a.2			77
GRI 410: Security Practices 2016	3-3	Management of material topics				76
GRI 411: Rights of Indigenous Peoples 2016	3-3	Management of material topics				76
GRI 413: Local Communities 2016	3-3	Management of material topics				84
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain Management HC-BP-430a.1			37
	414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management HC-BP-430a.1			38
GRI 415: Public Policy 2016	3-3	Management of material topics				96
GRI 416: Customer Health and Safety 2016	3-3	Management of material topics				82
	416-1	Assessment of the health and safety impacts of product and service categories				83
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services				83
GRI 417: Marketing and Labeling 2016	3-3	Management of material topics				82
	417-1	Requirements for product and service information and labeling				82
	417-2	Incidents of non-compliance concerning product and service information and labeling				82
	417-3	Incidents of non-compliance concerning marketing communications				82
GRI 418: Customer Privacy 2016	3-3	Management of material topics				34
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data				34

SDGs

SDG	Description
	End poverty in all its forms everywhere
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture
	Ensure healthy lives and promote well-being for all at all ages
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	Achieve gender equality and empower all women and girls
	Ensure availability and sustainable management of water and sanitation for all
	Ensure access to affordable, reliable, sustainable and modern energy for all
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

SDG	Description
	Reduce inequality within and among countries
	Make cities and human settlements inclusive, safe, resilient and sustainable
	Ensure sustainable consumption and production patterns
	Take urgent action to combat climate change and its impacts
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
	Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

1 Business Ethics
Risk

Rationale
External regulatory environment on corporate ethics is dynamic. Ethical business standards, framework, and activism are evolving that needs continuous improvement and preparedness.

Mitigation Approach
The Company has established robust guiding principles ensuring ethical functioning across its value chain. Its code of conduct for Board members, senior management, employees, suppliers, vendors, and contractors aligns with its commitments of ethical and transparent business practices.

Financial Implications
Positive financial impact.

Relevant UN SDGs Mapping




2 Patient, Customer, and Consumer Centricity
Risk

Rationale
Increased regulatory oversight with respect to patient and product safety in a highly competitive industry space is an imperative for the Company to have a robust focus on patient, customer, and consumer-centricity.

Mitigation Approach
The Company's expertise in patient, customer, and consumer-centricity is driven by its fundamental principles of knowledge, action, care, and impact. The Company recognises patient-centricity as its key strategic priority and has undertaken various initiatives.

Financial Implications
Potential positive implications due to customer trust and long-term strategic partnership.

Relevant UN SDGs Mapping



3 Data Privacy and Data Security
Risk

Rationale
Data integrity and privacy is an imperative to guarantee trust between the stakeholders. Evolving regulations and increasing sensitivity towards data privacy is driving focus on information security.


Data breach of the Company's Information Technology System leads to business damage and reputational risk, causing damage at both financial and non-financial ends.

Mitigation Approach
The Company closely scrutinises its data management systems through the following ways:

- Using secure computers and servers
- Adopting data back-ups software for remote storage as well
- Having robust cyber security framework
- Application of anti-virus, anti-spyware protection, and firewall
- Implementing better cyber policies for remote workers

Financial Implications
Negative implication due to cost incurred on purchase of hardware and software needed for data security management system.

Relevant UN SDGs Mapping



4 Product Quality and Safety
Risk

Rationale
Increased regulatory oversight with respect to patient and product safety in a highly competitive industry space, which is an imperative for the Company to have a robust focus on patient, customer, and consumer-centricity. Thus, the Company needs to maintain its standards in order to be compliant to avoid the risk that may arise.

Mitigation Approach

- The Company is on a quality advancement journey from 'Quality for Compliance' to 'Quality as a Culture', with a focus on systems, processes, technology, and people.
- A dedicated Corporate Quality Assurance Group actively monitors adherence to the prescribed product quality standards.

Financial Implications
Potential positive implication due to customer loyalty and long-term strategic partnership.

Relevant UN SDGs Mapping



5 Financial Performance
Opportunity

Rationale
Due to growing population, increasing access to healthcare, and augmented affordability, pharmaceutical sector is poised to grow at a steady rate.

Mitigation Approach
The Company's strong fundamental and robust business model enables a resilient business strategy to capitalise market opportunities effectively. The Company's focus on quality and safety ensures overall financial performance.

Financial Implications
Positive implication due to growing market.

Relevant UN SDGs Mapping



6 Regulatory Compliance
Risk

Rationale
Stringent compliance regulations have challenged companies in a variety of ways. Any failure to obtain, retain, or renew them in a timely manner may adversely affect operations. A change in laws or regulations made by the government or a regulatory body may increase the cost of operating a business.

Mitigation Approach
The applicable regulatory framework is continuously tracked by the Company and it is compliant to the applicable laws and regulations.

Financial Implications
Negative implication due to cost incurred on systems and processes to ensure strict compliance with applicable/emerging regulations.

Relevant UN SDGs Mapping




7 Accessibility and Affordability
Opportunity

Rationale
With increasing accessibility and affordability, the pharmaceutical industry is poised to grow at a steady rate.

Mitigation Approach
The Company ensures that the products can be accessed by wider number of consumers via traditional distribution channels, e-commerce platforms, and own website wellify.in.

Financial Implications
Positive implications in the longer run due to increased market share and development.

Relevant UN SDGs Mapping



8 Asset Integrity
Opportunity

Rationale
With growing technological advancements, better quality of assets are available at cost effective prices. An upgrade in asset base will ensure effective and efficient operations and productivity.

Mitigation Approach
The Company has developed robust systems and processes for asset management. Project Catalyst has been implemented for enhancing digitisation and automation.

Financial Implications
Positive implication due to increased productivity.

Relevant UN SDGs Mapping



9 Business Continuity and Disaster Resilience
Risk

Rationale
Due to increased uncertainty in external environment, such as increased frequency of natural and human-made disasters, emerging infections, and cyber security risks, it is imperative for a company to have robust business continuity and disaster resilience mechanism.

Mitigation Approach
The manufacturing facilities are well equipped with a resilient disaster-preparedness plans in terms of robust response, rescue measures, and quick recovery processes. The Company's robust IT systems ensure data continuity and resumption of operations at the earliest.

Financial Implications
Negative implication due to expenditure on preparedness measures.

Relevant UN SDGs Mapping




10 Climate Action/Climate Change
Risk

Rationale
Due to rapid and evolving global warming and carbon emissions, the preparedness to tackle climate change is an imperative for the Company. Various stakeholder groups want immediate action and aggressive plans to be taken so as to address any risk that may arise.

Mitigation Approach
The Company is undertaking a detailed exercise to develop a robust decarbonisation strategic plan to mitigate the risk. The Company has already initiated to switch to agro-briquettes and renewable energy.

Financial Implications
Positive implication due to process improvement, energy efficiency, and improved stakeholder output.

Relevant UN SDGs Mapping




13 Energy Management
Opportunity

Rationale
With evolution of energy-efficient technologies, increasing commercial viability of renewable and other alternative sources of energy, reliance on fossil fuels is expected to get diminished.

Mitigation Approach
The Company is committed to procuring and using energy in an efficient, cost-effective, and environmentally responsible manner. The Company has already initiated to switch to agro-briquettes and renewable energy.

Financial Implications
Negative impact due to increased cost of fuel and capex in energy-efficient appliances. However, positive financial impact is expected in the long-run due to lower cost of energy.

Relevant UN SDGs Mapping




14 Human Capital Development
Opportunity

Rationale
With the evolution of knowledge-based economy and availability of trained and skilled people, the productivity of human resources has been significantly augmented, resulting in effective significant operations.

Mitigation Approach
The Company focuses on continuous learning to foster professional growth. It has robust talent management systems that nurtures its human capital through comprehensive learning and career development initiatives, and by mentoring pathways, and employee engagement activities.

Financial Implications
Positive implications due to increased productivity of workforce.

Relevant UN SDGs Mapping



11 Corporate Governance
Risk

Rationale
External regulatory environment on corporate governance is dynamic and varies across regions. Corporate Governance standards, framework, and activism are evolving that needs continuous improvement.

Mitigation Approach
The Company has a strong governance mechanism across all its business operations and ensures a transparent communication of its corporate governance policies and protocols for a smooth functioning. This is essential to safeguard the stakeholders' priorities and expectations.

Financial Implications
Positive implication due to smooth business operations.

Relevant UN SDGs Mapping




12 Employee Health and Safety
Risk

Rationale
Employees and workers within the Company are exposed to chemically and biologically hazardous materials which may have health impacts. Furthermore, heavy machinery usage also poses risk of accidents and other hazards.

Mitigation Approach
The Company has implemented robust global EHS standards for all its business operations inclusive of guidelines, and Company-level EHS policy, which acts as a guiding tool to identify and mitigate potential hazards and provide a secure working environment for all its employees/workers/visitors.

Financial Implications
Negative impact due to increased operational cost incurred on safety training and protective gears.

Relevant UN SDGs Mapping



15 Operational Excellence
Opportunity

Rationale
With growing technological advancements and innovations, more avenues are available for resource efficiency, product stewardship, and cost savings.

Mitigation Approach
The Company focuses on operational resilience, agility, and transparency through greater deployment of digital and analytical tools, along with the automation of processes.

Financial Implications
Positive impact due to increased productivity and efficiency.

Relevant UN SDGs Mapping




16 Product Sustainability/Stewardship
Opportunity

Rationale
Demand for safe and sustainable products is increasing thus providing an opportunity for the organisation to increase customer base through product stewardship initiatives.

Mitigation Approach
The Company has adopted adequate measures to ensure safety of the products and eco-efficiency of the operations. The Company plans to undertake systemic studies to identify lifecycle environmental footprints of its products and take appropriate measures to improve product sustainability.

Financial Implications
Positive implication because of customer trust, loyalty, and strategic partnerships.

Relevant UN SDGs Mapping



17 R&D and Innovation

Opportunity

Rationale

Due to increasing demand of healthcare, there is opportunity for product innovation. Furthermore, R&D and innovation can provide operational excellence.

Mitigation Approach

The Company focuses on innovation-led research and has a robust R&D and quality team.

Financial Implications

Positive impact due to increased productivity and new product development.

Relevant UN SDGs Mapping



18 Responsible Investment (CapEx)

Opportunity

Rationale

With the Government of India's focus on green projects, the Company has an immense opportunity to tap into responsible investment, thereby, resulting in a potential to impact the productivity of the business operations.

Mitigation Approach

The Company has started evaluating CapEx plans w.r.t. non-financial aspects in addition to the financial aspect during the feasibility phase.

Financial Implications

Positive impact due to increased relevant and strategic investments.

Relevant UN SDGs Mapping



21 Supply Chain Management

Risk

Rationale

Dependency on single-source and trans-border supplier engagement as well as procurement has a likelihood to disrupt the supply of the products of the Company, resulting in lower sales and negative impact on the Company's reputation.

Mitigation Approach

The Company has signed up for the membership of Pharmaceutical Supply Chain Initiative (PSCI). The Company is pro-actively working towards diversifying vendor base and obtaining alternative suppliers, in order to minimise any risk arising from supply chain interruptions.

Financial Implications

Negative implication due to increase in cost of supplier evaluation.

Relevant UN SDGs Mapping



22 Technology Adoption

Opportunity

Rationale

With growing technological advancements and innovations, more avenues are available for resource efficiency, product stewardship, and cost savings.

Mitigation Approach

The Company focuses on operational resilience, agility, and transparency through greater deployment of digital and analytical tools, along with the automation of processes.

Financial Implications

Positive impact is due to increased efficiency, accuracy, and productivity.

Relevant UN SDGs Mapping



19 Risk and Opportunity Management

Opportunity

Rationale

Risks and opportunities assessment provides relevant insights to the company. It is a proactive, dynamic, and continuous process inclusive of all the operations. The motive of the process is to prioritise and implement necessary actions to mitigate risks and perform for opportunities.

Mitigation Approach

The Company has a robust Risk Management system to identify, manage, and mitigate business risks. Risk management, internal controls, and assurance processes are embedded into all activities of the Company.

Financial Implications

Positive implications are due to benefits incurred by mitigating risks and delivering opportunities.

Relevant UN SDGs Mapping



20 Stakeholder Relationship

Opportunity

Rationale

Stakeholders' trust and credibility aligns with the Company if its motives are coherent with stakeholders' priorities. The involvement and agreement of stakeholders eliminate the chances of conflicts and increase productivity.

Mitigation Approach

The Company undertakes a robust stakeholder engagement process to understand the needs and expectations of its stakeholders. The Company engages with all its stakeholders, thereby helping in increasing stakeholder trust and loyalty.

Financial Implications

Positive impact due to reputation, goodwill, and increased productivity of employees.

Relevant UN SDGs Mapping



23 Water and Waste Management

Risk

Rationale

With decreasing availability of water, there are risks of regulatory restrictions, stakeholder activism, and operational shutdown.

Due to an increased regulatory constraints on waste disposal, it becomes imperative for the Company to adopt responsible waste management practices.

Mitigation Approach

The Company focuses on reduced consumption and reuse of water, patch leaks, and embraces technologies with lower water intensities. The Company ensures that the hazardous waste generated by its operations is safely handled and disposed in an environmentally responsible manner. Additionally, the Company has undertaken comprehensive water audits at its operating locations.

Financial Implications

Negative implication due to cost incurred in handling and safe disposal of waste and water.

Relevant UN SDGs Mapping



24 Air Emissions and Air Quality

Risk

Rationale

Due to an increased regulatory constraints on ambient air quality, it is an imperative for the Company to mitigate air emissions.

Mitigation Approach

The Company practices responsible management of air emissions of Nitrogen Oxides (NOx), Sulphur Oxides (SOx), Particulate Matter (PM), and Volatile Organic Compounds (VOCs) to maintain ambient air quality.

Financial Implications

Negative implication due to increase in CapEx and operating cost.

Relevant UN SDGs Mapping



25 Community Development
Opportunity

Rationale

Community engagement helps the Company to build trust in the community. Business operations should be coherent with community priorities and wellness. Being harmonious with community prevents the risks of conflicts and creates a positive image of the Company.

Mitigation Approach

The Company, with the help of the Piramal Foundation, has developed three strategies for community development highlighted below and implemented them as 6 Big Bets.

- 1: Enable marginalised populations to benefit from India's growth story
- 2: Strengthen the government's capacity through leadership development and digitisation
- 3: Develop the youth of the nation

Financial Implications

Positive implications are found due to a better reputation and goodwill.

Relevant UN SDGs Mapping



27 Human Rights
Risk

Rationale

Human Rights are an inclusive concern for the Company throughout the supply chain. It also affects reputation and public relations of the Company, hence making it a critical business conduct issue.

Mitigation Approach

The Company has developed a Human Rights Policy and redressal mechanism to address and mitigate any risk arising from human rights standpoint. The Company has established policies and processes related to ethical conduct, equal opportunities, prevention of sexual harassment, child labour, involuntary labour, and sexual harassment.

Financial Implications

Negative impact is observed due to costs incurred for the strict applications and compliance with fundamental human rights.

Relevant UN SDGs Mapping



26 Ecosystem and Biodiversity
Risk

Rationale

To be sustainably relevant in the long term, it is important for the Company to operate in harmony with surroundings. The ecosystem is about striking a balance between business operations and biodiversity with relevant natural resources including their sourcing and disposal whilst maintaining a balance.

Mitigation Approach

The Company is involved in multiple projects to safeguard ecosystem and biodiversity. Its ESG policy also promotes the conservation of biodiversity, while mitigating the risks and impacts arising from operations.

Financial Implications

Negative implication due to cost incurred for the protection of ecosystem and biodiversity.

Relevant UN SDGs Mapping



28 Product Tracking
Opportunity

Rationale

For the Company to be responsible, not only should its operations align with the sustainable goals but so should its products. It provides them with products' footprint and the impact it has on the environment.

Mitigation Approach

The Company strives to analyse the negative impact of its products on the environment and takes consistent efforts to minimise them.

Financial Implications

Negative implications due to cost incurred in complex product tracking.

Relevant UN SDGs Mapping



GHG VERIFICATION STATEMENT



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INDEPENDENT VERIFICATION STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Piramal Pharma Limited (Corporate Identity Number U24297MH2020PLC338592, hereafter referred as 'PPL' or 'the Company') to carry out a verification of its Greenhouse Gas ('GHG') emissions for the period 1st April 2023 to 31st March 2024 (FY 2023-24). PPL has prepared its GHG emissions data in its bespoke spreadsheets based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

DNV has carried out this customized verification engagement in accordance with DNV's VeriSustain™ protocol (v6.0). DNV team has also followed the ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements* to evaluate GHG emissions data.

Intended User

The intended user of this verification statement is the Management of Piramal Pharma Limited.

Level of Verification

Limited Level of verification for the scope 1, 2 and 3 GHG emissions

Responsibilities of the Company and DNV

The Management of the Company is responsible for the collection, analysis, aggregation, calculations and presentation of data and information related to GHG emission data assertions.

In performing this verification assessment, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion. We disclaim any liability or co-responsibility for any decision a person or entity would make based on this verification statement.

Scope, Boundary and Limitations of Verification

Scope

The scope of work agreed is a limited level of verification of the following GHG emission data for the FY 2023-24 which includes,

- Scope 1 emissions due to combustion of fossil fuels and other emissions, such as
 - Combustion of coal, High-Speed Diesel (HSD), furnace oil, natural gas, Liquefied Petroleum Gas (LPG)
 - CFC leakages from air conditioners
- Scope 2 emissions due to purchased electricity and purchased steam
- Scope 3 emissions- arising from value chain covering following categories as per the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting-
 - Category 1: Purchased Goods and Services
 - Category 2: Capital Goods
 - Category 3: Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)
 - Category 4: Upstream Transportation and Distribution
 - Category 5: Waste Generated in Operations
 - Category 6: Business Travel- air & train travel
 - Category 7: Employee Commuting
 - Category 8: Upstream Leased Assets
 - Category 9: Downstream Transportation and Distribution
 - Category 10: Processing of Sold Products
 - Category 11: Use of Sold Products
 - Category 12: End-of-Life Treatment of Sold Products
 - Category 15: Investments

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Boundary

Based on the agreed scope with the Company, the boundary for GHG emissions all manufacturing facilities of PPL across the globe including 9 facilities in India, 2 facilities in UK, 4 facilities in US and 1 facility in Canada. GHG emissions calculations are done by PPL using 'operational control' approach.

Limitation(s):

- The verification engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of verification.
- Data outside the operations specified in the verification boundary is excluded from the verification, unless explicitly mentioned otherwise in this statement.
- The verification engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.
- No external stakeholders were interviewed as part of this verification engagement.

Verification Methodology:

We planned and performed our verification work to obtain the evidence we considered necessary to provide limited level of verification. We adopted a risk-based approach towards selection of samples for assessing the robustness of the underlying data management system, information flow and controls.

We carried out the following activities:

- Desk review of the Scope 1, Scope 2 & Scope 3 emissions activities and associated data for FY 2023-24 captured in the bespoke spreadsheets.
- Review of the standard operating procedures ('SOPs') for GHG Management System as well as the Company's GHG data management processes used to generate, aggregate, and report the GHG data, as well as assessment of the completeness, accuracy and reliability of the data.
- Reviews of GHG data aggregation system in place including formats, assumptions, as well as associated calculation methodologies and GHG emission factors.
- Sampling of activity data for verification in line with the requirements for verification.
- On-site visits to corporate office and selected sites in India as listed out in Annexure II for verifying the identified activities and GHG emission sources and related evidence at the site level on a sample basis.
- Interaction with key managers and data owners to review data systems related to GHG inventory including reviews of emission factors and assumptions used for calculation methodology.

Conclusion

On the basis of our verification methodology and scope of work agreed upon, nothing has come to our attention to suggest that the GHG emissions as brought out in Annexure I are not materially correct and is not a fair representation of the GHG emissions data of Piramal Pharma Limited for the reporting period.

Some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been corrected.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity assessment - General principles are requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct¹ during the verification engagement and maintain independence wherever required by relevant ethical requirements. During the reporting period i.e. FY 2023-24, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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to any Conflict of Interest. DNV was not involved in the preparation of any statements or data except for this Verification Statement for internal use of Piramal Pharma Limited. DNV maintains complete impartiality toward stakeholders interviewed during the verification process. To the best of our knowledge, we did not provide any services to Piramal Pharma Limited in the scope of verification for the reporting period that could compromise the independence or impartiality of our work.

Purpose and Restriction on Distribution and Use

This verification statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the Company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than the Company for DNV's work or this verification statement. The usage of this verification statement shall be governed by the terms and conditions of the contract between DNV and PPL and DNV does not accept any liability if this statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this verification statement. No part of this verification statement shall be reproduced, distributed or communicated to a third party without prior written consent.

For DNV Business Assurance India Private Limited

Parab, Ankita	Digitally signed by Parab, Ankita Date: 2024.09.26 18:49:02 +05'30'	Kakaraparthi Venkata Raman	Digitally signed by Kakaraparthi Venkata Raman Date: 2024.09.26 19:31:27 +05'30'
Ankita Parab Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.		Kakaraparthi Venkata Raman Verification Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.	
Assurance Team: Anjana Sharma, Sudharshan K., Suraiya Rahman, Himanshu Babbar 26/09/2024, Mumbai, India.			

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Annexure I

GHG Emissions for PPL

Scope details	Total GHG Emissions (tCO ₂ e) for FY 2023-24
Scope 1 Direct GHG emissions covering a) Combustion of coal, High-Speed Diesel (HSD), furnace oil, natural gas, Liquefied Petroleum Gas (LPG) b) CFC leakages from air conditioners	56,230
Scope 2 Indirect GHG emissions covering consumption of purchased electricity and purchased steam	79,415
Scope 3 other Indirect GHG emissions covering <ul style="list-style-type: none"> Category 1: Purchased Goods and Services Category 2: Capital Goods Category 3: Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2) Category 4: Upstream Transportation and Distribution Category 5: Waste Generated in Operations Category 6: Business Travel- air & train travel Category 7: Employee Commuting Category 8: Upstream Leased Assets Category 9: Downstream Transportation and Distribution Category 10: Processing of Sold Products Category 11: Use of Sold Products Category 12: End-of-Life Treatment of Sold Products Category 15: Investments 	4,99,659
Biogenic emissions covering combustion of bio-briquettes	12,849

Note:
 1. Calculation of Scope 1 GHG emissions and Scope 3 emissions are based on conversion factors, emission factors sourced from the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report, The UK Department for Environment, Food and Rural Affairs (Defra), Ecoinvent database.
 2. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO₂ baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO₂ per kWh and for global operations- Emission Factors for Greenhouse Gas Inventories, US EPA.

Annexure II

Sites selected for audit

Sr. no.	Site	Location
1.	Corporate office	Mumbai, Maharashtra
2.	Manufacturing plants- on-site	Digwal, Telangana Pithampur, Madhya Pradesh Ennore, Tamil Nadu
3.	Manufacturing plants- remote	Sellersville, US

ASSURANCE STATEMENT



INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Piramal Pharma Limited (Corporate Identity Number U24297MH2020PLC338592, hereafter referred to as 'PPL' or 'the Company') to undertake an independent assurance of the Company's sustainability/non-financial disclosures in its Sustainability Report (hereafter referred as 'Report') for the period 1 April 2023 to 31 March 2024. The disclosures have been prepared by PPL:

- "in accordance" to requirements of Global Reporting Initiative (GRI) sustainability reporting standards 2021.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

DNV carried out assurance engagement in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits. DNV's VeriSustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. DNV team has also followed the ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements and ISO 14046 - Environmental management - Water footprint - Principles, requirements, and guidelines to evaluate indicators wrt. greenhouse gases and water disclosures respectively.

The intended user of this assurance statement is the Management of Piramal Pharma Limited.

As per the agreed scope of work, DNV performed a limited level of assurance of the GRI disclosures in the SR. Details of scope are mentioned in the section 'Scope, Boundary and Limitations'. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

Responsibilities of the Management of PPL and of the Assurance Provider

The Management of PPL has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and, ensuring the quality and consistency of the information presented in the Report. PPL is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website. In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The scope of work as agreed is a Limited assurance of the GRI disclosures in the 'Report' as mentioned in Annexure I, for the reporting period 01/04/2023 to 31/03/2024. The reported topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Company's operations as brought out in the section 'About the Report' of the 'Report'.

Based on the agreed scope with the Company, the boundary covers all the worldwide operations of PPL that fall under the direct operational control of the Company's Legal structure which includes 16 manufacturing facilities, 1 R&D unit and 16 offices. The boundary for environmental disclosure is 16 manufacturing facilities of PPL across the globe including 9 facilities in India, 2 facilities in UK, 4 facilities in US and 1 facility in Canada.

Inherent Limitation(s):

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material misstatements.



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The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on financial disclosures relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of PPL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

1. Reviewed the disclosures in the report. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework.
2. Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.
3. Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
4. Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
5. Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected GRI disclosures.
6. DNV audit team conducted on-site audits for corporate offices and sites (mentioned in Annexure II). Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
7. Reviewed the process of reporting as defined in the assessment criteria.

Conclusion

Limited Level of Assurance

On the basis of the limited level of assurance undertaken, nothing has come to our attention to suggest that the Report does not properly describe the 'Report's' adherence to the GRI Standards 2021, including the GRI 2: General Disclosures, GRI 3: Management Approach and the other GRI disclosures as mentioned in Annexure-I, in all material aspects and in accordance with the reporting criteria.

1. Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

The Report explains out the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, and inputs from peers and the industry, as well as issues of relevance in terms of impact for PPL's business. The list of topics has been prioritized, reviewed and validated.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.



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2. Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

3. Reliability/Accuracy

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with PPL's management teams and process owners at the Corporate Office and sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability and Accuracy.

4. Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported?

The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

5. Neutrality/Balance

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report brings out the disclosures related to PPL's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - *Conformity assessment - General principles are requirements for validation and verification bodies*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct¹ during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of Piramal Pharma Limited.

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV Business Assurance India Private Limited

<p>Parab, Ankita</p>	<p>Digitally signed by Parab, Ankita Date: 2024.10.03 13:02:18 +05'30'</p>	<p>Kakaraparthi Venkata Raman</p>	<p>Digitally signed by Kakaraparthi Venkata Raman Date: 2024.10.03 14:15:46 +05'30'</p>
<p>Ankita Parab Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>		<p>Kakaraparthi Venkata Raman Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>	
<p>Assurance Team: Anjana Sharma, Sudharshan K., Suraiya Rahman, Himanshu Babbar 03/10/2024, Mumbai, India.</p>			

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Annexure I

Disclosures assured for Limited level of assurance:

- GRI 203: Indirect Economic Impacts 2016 - 203-1;
- GRI 204: Procurement Practices 2016 - 204-1;
- GRI 205: Anti-corruption 2016 -205-2, 205-3;
- GRI 206: Anti-competitive Behavior 2016 - 206-1;
- GRI 302: Energy 2016 - 302-1, 302-3, 302-4;
- GRI 303: Water and Effluents 2018 - 303-1, 303-2, 303-3, 303-4, 303-5;
- GRI 305: Emissions 2016 -305-1*, 305-2*, 305-3**, 305-4, 305-5;
- GRI 306: Waste 2020 - 306-1, 306-2, 306-3; 306-4***; 306-5***;
- GRI 308: Supplier Environmental Assessment 2016 - 308-1;
- GRI 401: Employment 2016 - 401-1, 401-2, 401-3****;
- GRI 402: Labor/Management Relations 2016 - 402-1;
- GRI 403: Occupational Health & Safety 2018 - 403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8, 403-9, 403-10;
- GRI 404: Training and Education 2016 - 404-1, 404-2, 404-3;
- GRI 405: Diversity and Equal Opportunity 2016 - 405-1, 405-2;
- GRI 406: Non-discrimination 2016 - 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016 - 407-1
- GRI 408: Child Labor 2016 - 408-1;
- GRI 409: Forced or Compulsory Labor 2016 - 409-1;
- GRI 414: Supplier Social Assessment 2016 - 414-1;
- GRI 416: Customer Health and Safety 2016 - 416-1, 416-2;
- GRI 417: Marketing and Labeling 2016 - 417-1, 417-2, 417-3;
- GRI 418: Customer Privacy 2016 - 418-1.

*Calculation of Scope 1 GHG emissions and Scope 3 emissions are based on conversion factors, emission factors sourced from the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report, The UK Department for Environment, Food and Rural Affairs (Defra), Exiobase, Ecoinvent database. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO2 baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO₂ per kWh and for global operations- Emission Factors for Greenhouse Gas Inventories, US EPA.

** In Scope 3 GHG emissions is calculated for Category 1, 2, 3, 4, 5, 6, 7, 8, 9,10, 11, 12 and 15 as per GHG Protocol.

*** Waste diverted from disposal and waste directed to disposal is reported only for hazardous waste.

****Parental leave disclosure is limited to Indian operations.



Annexure II

Sites selected for audit

Sr. no.	Site	Location
1.	Corporate office	Mumbai, Maharashtra
2.	Manufacturing plants- on-site	Digwal, Telangana Pithampur, Madhya Pradesh Ennore, Tamil Nadu
3.	Manufacturing plants- remote	Sellersville, US



Registered Office

Gr. Flr., Piramal Ananta, Agastya Corporate Park, Kamani Junction,
LBS Marg, Kurla (West), Mumbai – 400 070
CIN: U24297MH2020PLC338592