ROYAL PHARMA





Annual Sustainability Report

2025 - 26

www.royalpharma.in



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About This Report

Organizational Details (GRI 2-1)

Royal Pharma is a pharmaceutical company with over 15 years of experience in the development and manufacture of advanced intermediates, APIs, NCEs and other pharmaceutical products and services. The Company serves customers across global markets and has developed capabilities spanning research and development, process development, scale-up and commercial manufacturing.

Royal Pharma's operations are supported by manufacturing facilities and an R&D Centre, with a focus on quality, safety, technology, innovation and sustainability. Its sustainability approach emphasises responsible chemistry, responsible workforce practices, resource optimisation, environmental stewardship and continuous improvement.

Reporting Boundary & Scope (GRI 2-2 | GRI 2-3)

This Annual Sustainability Report presents Royal Pharma's Environmental, Social and Governance (ESG) performance for activities and operations under the Company's operational control during the reporting period.

The reporting scope covers relevant aspects of Royal Pharma's pharmaceutical value chain, including manufacturing operations, research and development, process development, quality management, environmental management, occupational health and safety, employee-related practices, resource efficiency, responsible chemistry and responsible business practices. The reporting boundary includes the following locations:

Location

- Royal Pharma – Manufacturing Unit 1, MIDC Boisar Area, Tarapur, Maharashtra
- Royal Pharma – Manufacturing Unit 2, Tarapur, Maharashtra
- Royal Pharma – R&D Centre, Tarapur, Maharashtra
- Royal Pharma – Head Office, Borivali West, Mumbai, Maharashtra

The reporting boundary will be reviewed periodically to reflect significant organisational, operational, structural or facility-level changes and to ensure that future sustainability reports provide a relevant and transparent representation of Royal Pharma's sustainability performance.

Reporting Period, Frequency & Contact Information (GRI 2-3)

This Annual Sustainability Report covers the reporting period from April 2025 to March 2026 (FY 2025–26) and presents Royal Pharma's sustainability approach, initiatives and performance during the period.

The Company intends to communicate its sustainability performance periodically, supporting transparency and enabling stakeholders to understand and track Royal Pharma's progress across its environmental, social and governance priorities.

Contact Information

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Royal Pharma, Borivali West, Mumbai, Maharashtra, India

Restatement of Information (GRI 2-4)

Royal Pharma seeks to maintain consistency, accuracy and comparability in its sustainability disclosures. Where previously reported information requires correction or restatement due to changes in reporting boundaries, methodologies, calculation approaches, data availability or identified errors, the relevant information and reasons for the restatement will be appropriately disclosed.

External Assurance (GRI 2-5)

The Company engaged Anares Analytics LLP to assure selected FY 2025–26 sustainability disclosures under AA1000AS v3, Type 1, at Moderate Assurance. Scope 1, Scope 2 and Scope 3 GHG KPIs were additionally verified under ISO 14064-3:2019 at Limited Assurance. Assurance statement is included in the Annexures.

Reporting Standards & Frameworks

This Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards and considers relevant Business Responsibility and Sustainability Reporting (BRSR) requirements and the United Nations Sustainable Development Goals (SDGs).

The disclosures reflect Royal Pharma's key sustainability priorities, including environmental management, climate and energy, responsible chemistry, sustainable manufacturing, water and effluent management, waste management, resource efficiency, pharmaceutical quality, occupational health and safety, employee well-being, responsible workforce practices, responsible procurement, regulatory compliance and ethical business conduct. Royal Pharma's sustainability approach is further supported by its ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and ISO 27001:2022 management systems, together with its pharmaceutical quality and GMP-related certifications and approvals.

Materiality & Stakeholder Engagement

Royal Pharma identifies and prioritises sustainability topics based on their significance to the Company, its stakeholders, environment, operations and value chain. Stakeholder perspectives help the Company understand expectations, concerns and emerging sustainability priorities.

Key stakeholders may include employees, customers, suppliers, business partners, regulators, local communities and other relevant stakeholders. The material topics identified through the Company's assessment and engagement process guide its sustainability priorities, management approach and disclosures in this Report.

Forward-Looking Statement

This Report may contain forward-looking statements relating to Royal Pharma's sustainability objectives, commitments, initiatives and future plans. Such statements reflect the Company's current expectations and may be influenced by changes in business conditions, regulations, technology, market conditions and other external factors.

Royal Pharma remains committed to responsible chemistry, sustainable manufacturing, environmental stewardship, resource efficiency, safe operations, pharmaceutical quality, employee well-being and continuous improvement as it progresses on its sustainability journey.

ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 27001:2022



Managing Director's Message

(GRI 2-22)

Every organisation has a story, and at Royal Pharma, our story has always been driven by the belief that the right chemistry can create better possibilities for healthcare. Over the years, this belief has shaped our capabilities across advanced intermediates, NCEs, APIs and contract development and manufacturing, while building trusted relationships with customers across global markets.

As we have grown, our understanding of responsible growth has evolved. Today, we believe that business success is inseparable from quality, safety, innovation, environmental responsibility and the well-being of our people. Our purpose, reflects this commitment. Responsible chemistry is central to our sustainability journey. Through R&D and process development, we continue to pursue efficient, scalable and safer processes while seeking opportunities to optimise resources and minimise environmental impact.

We are also strengthening sustainable manufacturing through energy efficiency, renewable energy, water conservation, and responsible effluent management, while progressing towards Zero Liquid Discharge (ZLD) as part of our long-term environmental infrastructure development. Our people remain at the heart of this journey. We are committed to a safe, inclusive and learning-oriented workplace where employees can develop their capabilities and contribute to our continued progress. Maintaining high standards of occupational health and safety is fundamental to our operations.

Quality remains equally important. Our pharmaceutical quality systems, GMP practices and ISO-certified management systems provide a strong foundation for reliable and responsible manufacturing. We view quality not simply as compliance, but as a culture of consistency, accountability and continuous improvement. Looking ahead, we will continue to strengthen our manufacturing and R&D capabilities while expanding our global reach responsibly. Our priorities remain clear: responsible chemistry, sustainable manufacturing, environmental stewardship, quality, safety, innovation and our people.

We believe sustainability is a continuous journey, shaped by the decisions we make every day. At Royal Pharma, we remain committed to growing responsibly and creating lasting value for our stakeholders, our people and the environment.

> **Right Chemistry for a Brighter Tomorrow**

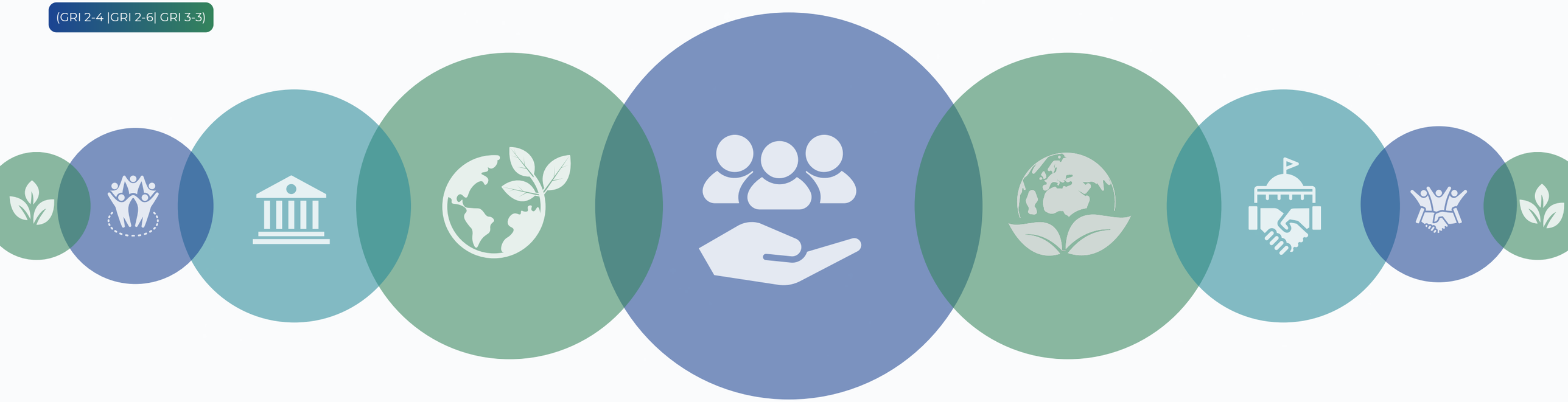


Mr. Nilesh Mehta
Managing Director Royal Pharma



Sustainability Performance at a Glance

(GRI 2-4 |GRI 2-6| GRI 3-3)



Environmental

0%
Renewable Energy Share

0%
Water Recycled / Reused

0%
Effluent Treated

Commissioning
ZLD Infrastructure Development

2.1 MT
Hazardous Waste Generated

0%
Waste Recycled / Recovered

95%
Recyclable / Reusable Packaging

0
Environmental Incidents

Social

4.3%
Women Employees

25 Hours
Average Training Hours per Employee

100%
Employee Health & Safety Coverage

12.9%
Employee Turnover

100%
Employee Engagement & Welfare Initiatives

0
Lost Time Injury Frequency Rate (LTIFR)

0
Recordable Injuries

0
Fatalities

80%
Safety Training Coverage

Governance

Certified
ISO 9001 / 14001 / 45001 / 27001 Certification

100%
Departments Covered Under Internal Audit

0
Information Security Breaches

0
Product Quality / Customer Complaints

100%
Code of Conduct / Ethics Training Coverage

0
Significant Compliance Incidents

30%
Supplier Sustainability Assessments*

28%
Responsible Procurement*

100%
Suppliers Aligned with Code of Conduct

Royal Pharma at a Glance

GRI 2-1 | GRI 2-6 | GRI 2-7

For more than 15 years, Royal Pharma has been building its journey around a simple belief: the right chemistry can create better possibilities for healthcare. From its early focus on pharmaceutical development and manufacturing, the Company has grown into a trusted partner with capabilities spanning Advanced Intermediates, APIs, NCEs and CDMO/CMO services, serving customers across global markets.

Today, Royal Pharma brings together 100+ employees, 60+ customers and a portfolio of more than 100 molecules developed and commercialised across 20+ countries. Its two manufacturing units and dedicated R&D Centre provide the foundation for taking pharmaceutical solutions from research and process development through scale-up and commercial manufacturing.

Behind this growth is a strong emphasis on quality, safety and technical excellence. Royal Pharma's manufacturing and management systems are supported by GMP practices and ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 27001:2012 certifications, reflecting its commitment to quality management, environmental responsibility and occupational health and safety.

Innovation remains central to the Company's capabilities. Through R&D, process development, route optimisation and scale-up expertise, Royal Pharma works to develop efficient and scalable manufacturing solutions while continuously looking for opportunities to improve resource efficiency and reduce environmental impact.

Sustainability is increasingly becoming part of how Royal Pharma thinks about growth. Its focus on responsible chemistry, sustainable manufacturing, energy efficiency, renewable energy, water conservation, responsible effluent management, the ongoing development of Zero Liquid Discharge (ZLD) infrastructure, and responsible waste management reflects an approach where pharmaceutical excellence and environmental responsibility move forward together.

At the heart of this journey are Royal Pharma's values of Care, Integrity and Excellence. These values shape the Company's relationships with employees, customers, suppliers, business partners, regulators and communities.

As Royal Pharma looks to the future, its ambition is to continue expanding its capabilities and global reach while remaining committed to quality, innovation, safety and responsible growth. Royal Pharma continues to build a pharmaceutical business where scientific progress and sustainability move forward together.

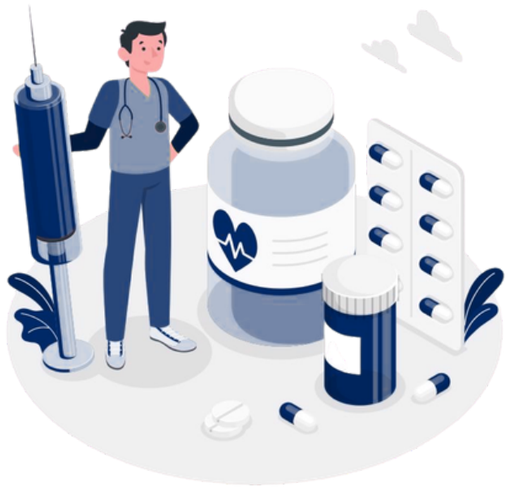
Vision

To become globally-renowned leader in manufacturing of API, intermediates, Speciality chemicals & custom synthesis.

Mission

Achieve Operational excellence by focusing on:

- Sustainable path of Innovation, Research & Development & Safety.
- Win-Win-Win Strategy of Customers, Team members & Company.
- Ensuring Ethical, Transparency & Integrity in.





Our Journey & Milestones

(GRI 2-1| 2-6)

2008
Established with the development of N-79, marking the beginning of Royal Pharma's pharmaceutical journey.

2011
Achieved ISO 9001:2008 certification for Quality, strengthening the Company's quality management systems.

2015
Achieved ISO 14000 and ISO 18000 certifications for Environment, Health and Safety (EHS).

2018
Received USFDA approval, strengthening Royal Pharma's capabilities to serve regulated pharmaceutical markets.



2025
Commenced production at the new facility, marking a significant milestone in Royal Pharma's manufacturing expansion.

2023
Implemented a server-based system, supporting technology-enabled and structured business operations.

2022
Established a new facility and achieved WHO-GMP recognition, strengthening manufacturing capabilities and regulatory readiness.

2020
Established a dedicated R&D Centre to strengthen research, process development and innovation capabilities.

Global Presence & Customer Reach

(GRI 2-6)



Our Geographic Presence

Tarapur / Boisar, Maharashtra
Manufacturing operations

Tarapur, Maharashtra
R&D and process-development operations

Borivali West, Mumbai, Maharashtra
Corporate and business operations

Global Presence & Customer Reach

20+ Countries
Countries Served

60+ Customers
Global Customers

Pharmaceutical customers across global markets
International Markets

Long-term relationships with pharmaceutical companies and business partners
Global Partnerships

Advanced Intermediates, APIs, NCEs and pharmaceutical solutions
Products Reaching Global Markets

Development, scale-up and commercial manufacturing support for international customers
CDMO/CMO Reach

No. of Employees
Total Employee Strength

% Women Employees
Gender Diversity Ratio

Our Business & Value Creation

(GRI 2-6)

Who We Are

Royal Pharma is a USFDA-approved, WHO-GMP certified, and ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 27001:2012 accredited pharmaceutical manufacturing company based in Mumbai, India. With over 15 years of industry experience, we specialize in the development and commercialization of Advanced Intermediates, New Chemical Entities (NCEs), Active Pharmaceutical Ingredients (APIs), and Speciality Chemicals — supported by strong CDMO/CMO capabilities.

ISO 9001:2015 ISO 14001:2015 ISO 45001:2018

Our Business Model

We operate across the pharmaceutical value chain, partnering with Originators, Innovators, and generic companies to convert complex molecule requirements into commercially viable, scalable manufacturing solutions.

Our business is built on three interconnected pillars, flowing from research through to customer delivery:

Research & Development
Novel, scalable, cost-efficient synthesis routes

↓

Manufacturing & Infrastructure
USFDA-approved, WHO-GMP certified facilities

↓

Customer Partnership & CDMO/CMO
Process development, fine-tuning & scale-up

How We Create Value

The output of this business flow translates into tangible value across four groups:



- **For Customers:** Reliable, regulatory-compliant supply of intermediates and APIs, backed by technical depth in process development and scale-up, enabling our 60+ global customers across 20+ countries to de-risk their supply chains.
- **For Partners & Innovators:** Strong technical capabilities that turn complex molecules into commercially manufacturable products, positioning us as a preferred supplier to top multinational pharmaceutical companies.
- **For Stakeholders:** A sustainable, quality-first operating model — guided by our RMS (Royal Management System) framework built on seven strategic pillars — that safeguards long-term supply reliability and regulatory standing.
- **For Society:** A commitment to improving global health through safe, innovative, and sustainable pharmaceutical solutions, while minimizing environmental impact across our manufacturing processes.

Our RMS Framework

Sitting above the value chain, Royal Pharma governs its operations through RMS — the Royal Management System. This framework is the discipline through which the company pursues its strategic objectives, described on its website as being pursued "through seven pillars, fortified by rigorous standards, systems, and stakeholder engagement processes." It is the governance layer that ensures the R&D, manufacturing, and customer-delivery flow above operates reliably, safely, and consistently — rather than a stage within that flow itself.

The RMS framework rests on seven pillars:

Manufacturing		Expansion
Commercial	**RMS**	Strategy
Development	People	Governance

As a related, text-sourced component of RMS, Royal Pharma has also adopted a "6 S" framework to guide its actions responsibly, comprising Structure, Systems, Style, Staff, Skills, and Strategy.

By the Numbers

60+	90+	100+	1	200+ KL	2
Customers	Products	Employees	R&D Centre	Capacity	Mfg. Units



Our Product Portfolio & Pharmaceutical Expertise

(GRI 2-6)

Product Portfolio

Royal Pharma's catalog spans 90+ products across two categories — Intermediates and APIs — each tracked through its own development stages, from commercial supply through R&D, scale-up, and pipeline. Of these, the Intermediates catalog alone lists 75 products, of which 52 are already in commercial supply, with the balance moving through R&D and scale-up.

Intermediates

Commercial supply
R&D, scale-up & pipeline

API

Commercial supply
Development & pilot trials
Onco APIs in development Pipeline

Pharmaceutical Expertise

The end-use molecules behind our intermediates and APIs span several major therapeutic areas, reflecting the breadth of our synthesis and process-development capabilities:

Oncology
Ribociclib, Palbociclib
Enzalutamide, Darolutamide

Cardiovascular & metabolic
Rivaroxaban, Apixaban
Finerenone, Bempedoic acid

CNS & neurology
Xanomeline, Mirogabalin
Opicapone, Elinzanetant

Immunology & specialty
Etrasimod, Belumosudil
Sparsentan, Rimegepant

This spread — from oncology and cardiovascular/metabolic disease to CNS/neurology and immunology — reflects Royal Pharma's ability to handle complex, multi-step synthesis across a wide range of therapeutic classes rather than a narrow specialization.

Our Contract Development & Manufacturing Capabilities

(GRI 2-6)

At Royal Pharma, every customer engagement begins with a specific requirement—a molecule to be developed, a process to be optimised or a manufacturing challenge to be addressed. We bring together scientific expertise, process development, scale-up, quality and manufacturing capabilities to transform these requirements into reliable pharmaceutical solutions.

Our journey begins by understanding the customer's molecule and development needs. Royal Pharma supports pharmaceutical partners across NCE development, advanced intermediates and API manufacturing, from early development through clinical and commercial supply.

Our R&D and process-development teams undertake route scouting, process development and optimisation, with expertise in specialised chemistry including hydrogenation, halogenation, Heck and Suzuki coupling reactions.

Development is supported by analytical method development and validation, impurity profiling, genotoxic evaluations, salt screening, polymorph studies and ICH stability studies.

As processes mature, Royal Pharma supports kilo, pilot and commercial-scale development, including toxicology batches, enabling a smooth transition from laboratory development to manufacturing.

Its facilities support cGMP production of APIs, NCEs, Key Starting Materials (KSMs) and Regulatory Starting Materials (RSMs) using specialised stainless-steel, glass-lined and Hastelloy reactors.

Quality and regulatory compliance remain integral throughout the journey, supported by USFDA, WHO-GMP, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 27001:2012 certifications and approvals.

Beyond manufacturing, Royal Pharma focuses on backward integration, supply-chain reliability and long-term customer partnerships, supporting customers throughout the product lifecycle.

From customer requirement to process development, scale-up, cGMP manufacturing and commercial supply, Royal Pharma's CDMO/CMO capabilities are designed to deliver reliable, scalable and quality-driven pharmaceutical solutions for customers across global markets.

ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 27001:2022

FDA WHO-GMP



Research, Development & Sustainable Innovation

(GRI 2-6)

At Royal Pharma, innovation begins with R&D and the search for better ways to develop pharmaceutical processes. Our dedicated 15,000 sq. ft. R&D Centre, located close to the main manufacturing site, brings together process development, scale-up, analytical development, patent services and a technical team with expertise in pharmaceutical chemistry.

The journey starts with right-route searching and route design. Royal Pharma focuses on developing high-quality, novel, scalable and cost-efficient routes, while considering safety, quality, scalability, economics, raw-material availability and environmental impact. Where appropriate, the Company seeks to avoid nitrosamine routes and ICH Class 1 solvents and aims for processes that generate minimal effluent.

From route selection, the focus moves to process optimisation and efficiency. Royal Pharma's chemistry capabilities cover a broad range of reactions, including hydrogenation, oxidation, reduction, esterification, Grignard, Heck, cyclisation, chlorination, bromination and other specialised reactions.

These capabilities allow the Company to develop and fine-tune processes for scalability and efficient pharmaceutical production. Innovation also extends to analytical and technical development. The R&D Centre includes a full-scale Analytical Development Laboratory, with capabilities in impurity profile and identification, chiral chemistry and process development, supported by pilot-scale glass assemblies of 20, 50 and 200 litres.

The Company's IPR team also supports freedom-to-operate suggestions, patent navigation, drafting, filing and prosecution. Sustainability is integrated into this innovation journey.

Royal Pharma seeks to optimise raw materials and utilities, reduce water consumption and minimise effluent generation through process improvements.

Its sustainability initiatives include a hot-water circulation system instead of steam for sub-80°C reactions, rainwater harvesting, solar energy integration, and the ongoing development of Zero Liquid Discharge (ZLD) infrastructure.

By integrating scientific research with process optimisation and resource efficiency, Royal Pharma continues to strengthen the sustainability of its manufacturing processes.

This approach enables the Company to improve process efficiency, minimise resource consumption and reduce environmental impact while maintaining high standards of quality and safety.

Through continuous innovation and responsible process development, Royal Pharma aims to build efficient, scalable and sustainable pharmaceutical manufacturing capabilities that support long-term business growth and create value for customers and stakeholders.



Certifications & Regulatory Excellence

(GRI 2-6)

ISO 9001:2008
Quality Management System

ISO 14000
Environmental Management

ISO 18000
Occupational Health & Safety

USFDA Approval

WHO-GMP Recognition

ISO 9001:2015

ISO 14001:2015

ISO 45001:2018

ISO 27001:2022

Our Sustainability Partner

(GRI 2-3)

Sustainability at Royal Pharma is an evolving journey, supported by a structured approach to environmental responsibility, resource efficiency, responsible chemistry and safe operations. As Royal Pharma continues to strengthen its sustainability reporting, its collaboration with Growlity Private Limited supports the Company in translating its sustainability initiatives and performance into a structured and transparent Annual Sustainability Report.

The partnership supports the process of ESG data collection, sustainability disclosure development, GRI mapping, materiality assessment and alignment of relevant sustainability information with applicable reporting requirements. This helps bring together Royal Pharma's operational practices and sustainability priorities into a consistent reporting framework.

Royal Pharma's sustainability approach includes initiatives such as resource optimisation, rainwater harvesting, solar energy integration, hot-water circulation for selected processes, and responsible effluent management, while progressing towards Zero Liquid Discharge (ZLD) as part of its environmental infrastructure development. Its Royal Management System (RMS) provides an additional framework through which the Company integrates structure, systems, people, skills and strategy into responsible business practices.

Through this collaboration, Royal Pharma aims to strengthen the quality, consistency and transparency of its sustainability disclosures, while creating a stronger foundation for measuring progress and identifying opportunities for continuous improvement.

> **By setting a strong foundation for sustainable and responsible business practices, we help enhance sustainability performance, strengthen stakeholder trust and create long-term value for the organisation and the broader community.**



Dr. Nitin Dumasia
President and CEO, Growlity





Materiality & Priorities

- Stakeholder Dialogue & Engagement.
- Materiality Assessment & Prioritisation.
- Materiality Priorities Matrix.

Stakeholder Dialogue & Engagement

(GRI 2-29)

At Royal Pharma, meaningful stakeholder engagement is an important part of building trust, understanding expectations and strengthening responsible business practices. As a pharmaceutical development and manufacturing company with capabilities across NCEs, APIs, advanced intermediates and CDMO/CMO services, Royal Pharma engages with stakeholders across its operations and value chain to understand their needs, address concerns and build long-term relationships.

Royal Pharma's stakeholder engagement is supported through customer interactions, R&D and technical collaboration, employee engagement, supplier relationships, regulatory interactions, quality and GMP processes, and community initiatives. The insights gathered through these interactions help the Company strengthen its products and processes, workplace practices, quality systems, environmental performance and sustainability priorities.

Stakeholder Engagement Matrix

Internal Stakeholders

Stakeholder Group	Engagement Channels	Key ESG Priorities
Employees	Training programmes, safety meetings, internal communication, employee interactions, performance discussions and feedback mechanisms	Occupational health & safety, employee well-being, learning & development, workplace culture, diversity and responsible employment practices
Leadership & Management	Management reviews, strategic discussions, operational meetings and performance reviews	Sustainable growth, risk management, operational excellence, quality, ESG integration and responsible decision-making
R&D & Technical Teams	Technical meetings, project reviews, process-development discussions and knowledge-sharing sessions	Responsible chemistry, process optimisation, innovation, resource efficiency, product quality and sustainable process development

External Stakeholders

Stakeholder Group	Engagement Channels	Key ESG Priorities
Customers	Customer meetings, technical discussions, project reviews, quality interactions and feedback mechanisms	Product quality, GMP compliance, reliability, technical performance, innovation, regulatory requirements and responsible manufacturing
Suppliers & Business Partners	Supplier interactions, quality evaluations, procurement discussions, business reviews and technical meetings	Responsible sourcing, raw-material quality, supply reliability, ethical business practices, environmental responsibility and safety
Regulators & Government Authorities	Regulatory submissions, inspections, compliance reviews, official communications and regulatory interactions	Pharmaceutical compliance, GMP, environmental protection, occupational health & safety and responsible operations
Local Communities	Community initiatives, CSR activities and local engagement	Community well-being, social development, environmental responsibility and local needs
Certification & Assessment Bodies	Certification audits, assessments, technical exchanges and compliance reviews	Quality management, environmental management, occupational health & safety and continual improvement
Industry & Technical Bodies	Industry forums, technical interactions, knowledge-sharing programmes and collaborative initiatives	Pharmaceutical standards, technical developments, responsible chemistry, sustainability and industry best practices

Materiality Assessment & Prioritisation

(GRI 3-1)

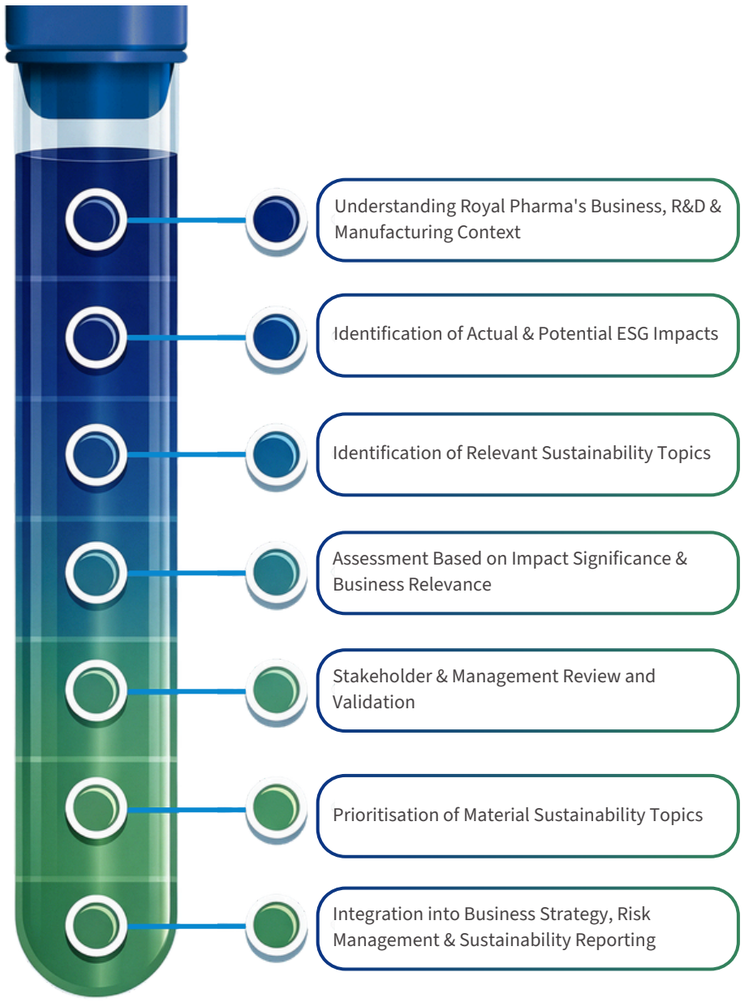
At Royal Pharma, our materiality assessment identifies the Environmental, Social and Governance (ESG) topics that are most significant to our pharmaceutical development, R&D and manufacturing activities, as well as to our stakeholders and value chain.

As a pharmaceutical company with capabilities across NCEs, APIs, advanced intermediates and CDMO/CMO services, the assessment considers the sustainability impacts associated with our manufacturing processes, responsible chemistry, product quality, occupational health and safety, resource use, regulatory requirements and business relationships.

The assessment considers Royal Pharma's R&D and process-development activities, manufacturing operations, pharmaceutical quality and GMP requirements, environmental management, energy and water use, responsible effluent management and the development of Zero Liquid Discharge (ZLD) infrastructure, waste management, employee well-being, responsible sourcing and ethical business practices.

These considerations help identify the topics that require focused management, performance monitoring and disclosure.

Royal Pharma's ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 27001:2012 management systems, together with its pharmaceutical quality and GMP practices, provide an important foundation for managing these priorities.



Material Topics Identified (GRI 3-2)

Environmental

1. Climate Action & GHG Emissions
2. Energy Management & Renewable Energy
3. Water Stewardship & Effluent Management
4. ZLD Infrastructure Development
5. Waste & Resource Management
6. Air Emissions & Pollution Prevention
7. Responsible Chemistry
8. Chemical & Materials Stewardship
9. Sustainable Manufacturing & Process Efficiency
10. Environmental Compliance

Social

11. Occupational Health & Safety
12. Employee Health & Well-being
13. Human Rights & Labour Practices
14. Learning & Development
15. Diversity, Equity & Inclusion
16. Employee Engagement
17. Community Development
18. Responsible Workforce Practices

Governance

19. Business Ethics & Integrity
20. Corporate Governance
21. Regulatory & Pharmaceutical Compliance
22. Risk Management & Business Resilience
23. Responsible Supply Chain & Procurement
24. Product Quality & Customer Responsibility
25. Data Privacy & Cybersecurity
26. Quality Management & GMP
27. Responsible Business Conduct
28. Sustainable Procurement

Integrating Materiality into Business (GRI 3-1)

The material topics identified through the assessment are integrated into Royal Pharma's business strategy, operational planning, risk management and sustainability practices. These priorities guide decision-making across R&D, process development, pharmaceutical manufacturing, quality management, environmental management, occupational health and safety, supply-chain management and responsible business practices.

By embedding material sustainability priorities into its operations, Royal Pharma aims to strengthen operational resilience, responsible chemistry, resource efficiency, environmental performance, pharmaceutical quality, employee well-being and long-term stakeholder value. Its established quality, environmental and occupational health and safety management systems provide a structured foundation for managing these priorities.

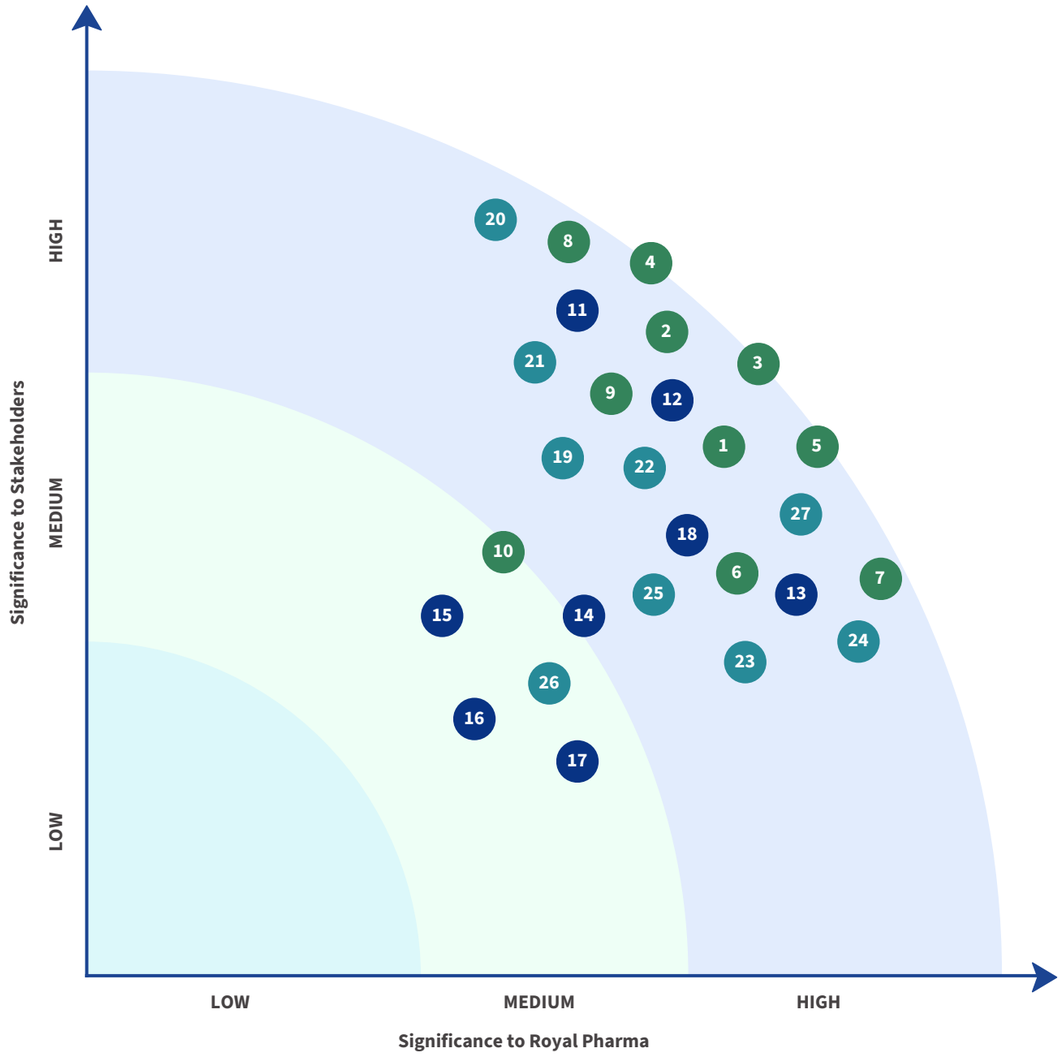
Through this approach, materiality provides a basis for prioritising sustainability actions, monitoring performance, strengthening ESG disclosures and continuously improving Royal Pharma's contribution to responsible and sustainable pharmaceutical manufacturing.

Materiality Priorities Matrix

(GRI 3-2)

For Royal Pharma, the materiality matrix reflects the sustainability topics most relevant to its pharmaceutical R&D, process development, manufacturing and CDMO/CMO activities. The prioritisation considers the significance of each topic to stakeholders and its relevance to Royal Pharma's business, operations, value chain, risks and opportunities.

The matrix places particular emphasis on responsible chemistry, pharmaceutical quality and GMP, occupational health and safety, climate and energy, water and responsible effluent management, the development of Zero Liquid Discharge (ZLD), waste management, regulatory compliance, responsible sourcing and ethical business practices.







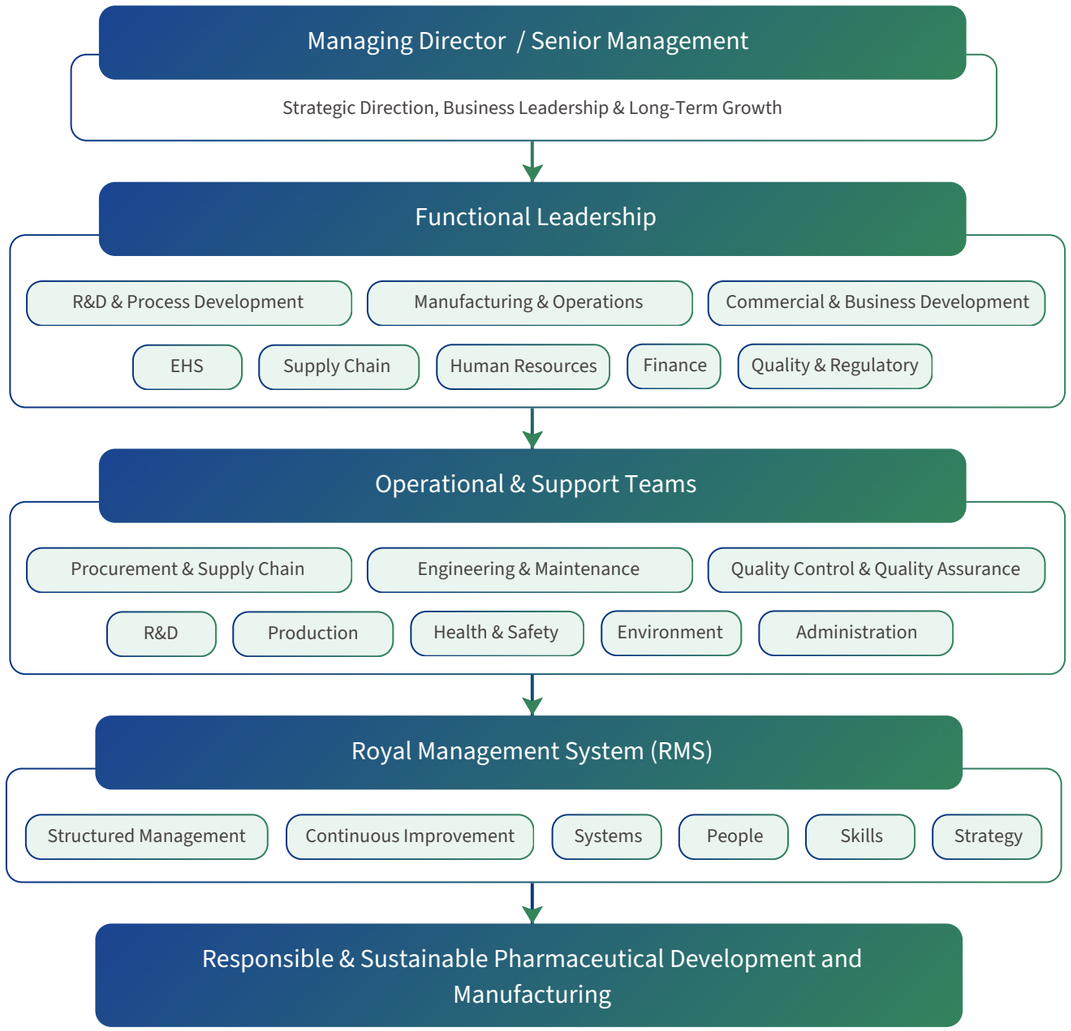
GOVERNANCE & RESPONSIBLE BUSINESS

- Governance Structure & Responsible Management.
- Board Responsibilities & ESG Oversight.
- Management Roles & Responsibilities.
- Enterprise Risk Management.
- Data Privacy & Information Security.

Governance Structure & Responsible Management

(GRI 2-9, GRI 2-12 & GRI 2-13)

Royal Pharma's governance structure provides a clear framework for strategic direction, management accountability and coordinated oversight across its pharmaceutical development, R&D and manufacturing activities. The structure connects senior leadership with key functional areas and supports the management of business priorities, quality requirements, regulatory obligations, environmental responsibilities and operational risks.



Governance Framework

Royal Pharma's governance framework translates strategic direction into functional responsibilities, operational controls and continuous improvement across the organisation.

Strategic Direction & Leadership

Senior management provides strategic direction for business growth, pharmaceutical excellence, operational performance and long-term development. Organisational priorities are communicated across relevant functions to support coordinated implementation and accountability.

Management Accountability

Functional leaders translate organisational priorities into operational objectives across R&D, manufacturing, quality, regulatory affairs, EHS, supply chain, human resources, finance and commercial functions. Defined responsibilities support effective oversight and management of significant business and operational matters.

Quality & Regulatory Oversight

Functional leaders translate organisational priorities into operational objectives across R&D, manufacturing, quality, regulatory affairs, EHS, supply chain, human resources, finance and commercial functions. Defined responsibilities support effective oversight and management of significant business and operational matters.

Environmental, Health & Safety Oversight

Functional leaders translate organisational priorities into operational objectives across R&D, manufacturing, quality, regulatory affairs, EHS, supply chain, human resources, finance and commercial functions. Defined responsibilities support effective oversight and management of significant business and operational matters.

Risk Management & Emergency Preparedness

Royal Pharma's management approach includes the identification and management of operational risks and potential emergency situations. Documented emergency preparedness arrangements establish responsibilities across relevant functions and support coordinated response to incidents such as fire, chemical releases, spills, gas leaks and medical emergencies.

Royal Management System (RMS)

The Royal Management System brings together systems, people, skills and strategy to support structured management and consistent execution. RMS supports accountability, functional coordination, performance monitoring and continuous improvement across Royal Pharma's operations.

Sustainability Integration

Environmental, social and governance considerations are progressively integrated into relevant business and operational practices. This includes responsible manufacturing, environmental management, employee health and safety, ethical conduct, responsible sourcing, human-rights considerations and efficient resource management.

Governance Policies & Commitments

Royal Pharma's governance framework is supported by policies, commitments and management practices that guide responsible conduct and operational decision-making across the organisation.

Code of Ethics & Business Conduct

Royal Pharma's Code of Ethics & Business Conduct establishes expectations for integrity, ethical behaviour, responsible decision-making and compliance with applicable laws and Company requirements. It provides a foundation for maintaining professional and responsible conduct across business operations.

Vigil Mechanism & Whistle Blower Policy

The Vigil Mechanism and Whistle Blower Policy provides appropriate channels for raising concerns regarding unethical conduct, misconduct or potential violations. The mechanism supports transparency, accountability and the appropriate handling of reported concerns.

Responsible Care Commitment

Royal Pharma's Responsible Care commitment supports responsible chemical management and continual improvement in environmental protection, occupational health and safety and process safety across its operations.

Corporate Social Responsibility Policy

Royal Pharma's CSR Policy guides the Company's approach towards community engagement and social responsibility. It provides a framework for planning and implementing relevant community-development initiatives.

Environmental Management

Royal Pharma maintains environmental management practices to support the identification and management of environmental impacts, pollution-prevention opportunities and applicable compliance requirements. Monitoring and operational controls support responsible resource use and continual improvement.

Occupational Health, Safety & Process Safety

The Company's occupational health, safety and process-safety practices support the identification and management of workplace and process-related hazards. Preventive controls, safety procedures and employee-protection measures are implemented across manufacturing, laboratories, utilities and supporting operations.

Emergency Preparedness & Response

Royal Pharma maintains documented emergency preparedness arrangements that define responsibilities and procedures for responding to significant incidents. These arrangements support emergency communication, evacuation, firefighting, rescue, first aid and coordination with external agencies where required.

Quality & Product Responsibility

development and manufacturing activities. Relevant functions work together to support GMP compliance, product quality, process consistency and applicable regulatory requirements.

Information Confidentiality & Data Protection

Royal Pharma recognises the importance of protecting confidential business, technical and stakeholder information and maintains appropriate practices for the responsible handling and protection of such information.

Governance & Continuous Improvement

Royal Pharma connects leadership direction with operational implementation and performance monitoring, supporting responsible decision-making, regulatory compliance, risk management and sustainable pharmaceutical manufacturing.



Board Responsibilities & ESG Oversight

1 Board Composition (GRI 2-9)

Royal Pharma's leadership structure brings together expertise across pharmaceutical R&D, manufacturing, technical development, finance, marketing and business development.

The Company's management information identifies Mr. Nilesh Mehta, Founder, Managing Director and Technical Director, and Mr. Rahil Mehta, Marketing and Business Development Director, with responsibilities spanning R&D, production, finance, product portfolio development, business development, marketing and overall operations.



Mr. Nilesh Mehta
Founder , Managing Director



Mr. Rahil Mehta
Marketing and Business Development Director

The leadership structure combines technical, operational and commercial expertise to support informed decision-making and effective management of Royal Pharma's pharmaceutical activities.

2 Board Responsibilities (GRI 2-12)

Royal Pharma's leadership provides strategic direction across pharmaceutical manufacturing, R&D, production, finance, product portfolio and business development. These responsibilities support operational performance, customer requirements, quality, innovation and long-term business growth.

3 ESG & Sustainability Oversight (GRI 2-12)

Sustainability considerations are integrated into Royal Pharma's approach to responsible pharmaceutical manufacturing. Key areas include environmental management, occupational health and safety, responsible chemistry, resource efficiency and process improvement.

Royal Pharma's operational sustainability initiatives include solar energy integration, rainwater harvesting, hot-water circulation and responsible effluent management. In parallel, the Company's Zero Liquid Discharge (ZLD) initiative is under implementation as part of its efforts to further strengthen wastewater management. Together, these initiatives support resource efficiency and the reduction of environmental impacts.

The Royal Management System (RMS) further supports the Company's management approach through the integration of Structure, Systems, Style, Staff, Skills and Strategy.

4 Sustainability Reporting (GRI 2-14)

Royal Pharma's management systems provide a foundation for responsible operations through ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 27001:2012, covering quality, environmental management, occupational health and safety and information security. Its pharmaceutical operations are also supported by USFDA and WHO-GMP credentials.

Sustainability information is supported by the Company's operational and management systems, helping connect environmental, social and governance considerations with its broader business practices.

5 Accountability & Performance (GRI 2-13)

Royal Pharma's leadership connects business performance, pharmaceutical quality, safety, innovation and sustainability. Responsibilities across technical, operational, commercial and support functions enable coordinated decision-making, while RMS provides a framework for aligning people, systems, skills and strategy.

This approach supports continuous improvement in quality, safety, environmental performance, resource efficiency and responsible pharmaceutical manufacturing.

Management Roles & Responsibilities

(GRI 2-13)

Royal Pharma's management approach is built around clearly defined functional responsibilities and cross-functional collaboration. Each function contributes to the Company's pharmaceutical development, manufacturing, quality, regulatory, environmental and business objectives, while the Royal Management System (RMS) provides a structured framework for aligning systems, people, skills and strategy.

Management Responsibility Framework

Royal Pharma's governance framework translates strategic direction into functional responsibilities, operational controls and continuous improvement across the organisation.

Strategic Management
Establish business priorities, operational objectives and long-term growth direction, while supporting responsible and sustainable pharmaceutical operations.

Business Operations
Manage efficient and reliable pharmaceutical manufacturing and day-to-day operations across production and supporting functions.

R&D & Process Development
Lead the development of NCEs, APIs and advanced intermediates, including route development, process optimisation, scale-up and technical innovation.

Quality & GMP
Maintain pharmaceutical product quality, GMP requirements, quality management systems, quality assurance and continual improvement.

Regulatory Affairs
Manage applicable pharmaceutical regulatory requirements, regulatory submissions, inspections, approvals and compliance activities.

EHS Management
Oversee environmental management, occupational health and safety, process safety, emergency preparedness and environmental compliance.

Supply Chain & Procurement
Support responsible sourcing, raw-material availability, supplier performance, procurement controls and continuity of pharmaceutical supply.

Human Resources
Support workforce planning, employee development, engagement, well-being, workplace practices and organisational capability.

Finance & Controls
Support financial planning, resource allocation, financial controls, reporting and responsible use of organisational resources.

Commercial & Customer Management
Understand customer requirements, manage customer relationships and coordinate reliable delivery of pharmaceutical products and services.

Cross-Functional Coordination
Facilitate collaboration between R&D, manufacturing, quality, regulatory, EHS, supply chain, HR, finance and commercial functions to achieve common business objectives.

Performance & Continuous Improvement
Monitor operational and functional performance, address identified gaps, implement corrective actions and strengthen processes through continuous improvement.

RMS Integration
Apply the Royal Management System (RMS) to align systems, people, skills and strategy and support consistent execution across the organisation.



Enterprise Risk Management

(GRI 2)

Royal Pharma's enterprise risk management approach is designed to identify, assess and manage risks that may affect its pharmaceutical R&D, process development, manufacturing, quality, regulatory compliance, supply chain and business operations. The approach combines preventive controls, defined approval processes, monitoring, reporting and corrective actions to strengthen business resilience and responsible decision-making.

Risk Identification & Assessment (GRI 2-12, GRI 2-13)

Royal Pharma's risk management journey begins with understanding the risks that may arise across its pharmaceutical value chain. Risks are considered across strategic, operational, financial, regulatory, quality, environmental, social and business-integrity dimensions. The assessment considers the nature of Royal Pharma's pharmaceutical manufacturing activities, complex chemistry, hazardous materials, customer requirements and operations in regulated markets.

Pharmaceutical Quality & GMP (GRI 416-1)

Quality and GMP risks are particularly important in pharmaceutical manufacturing. Royal Pharma considers risks relating to product quality, contamination, process deviations, batch failures, recalls and GMP compliance. Quality controls, documented procedures and monitoring mechanisms help identify potential issues and maintain consistency throughout manufacturing.

R&D & Process Development (GRI 2-6)

Innovation and process development also involve technical uncertainties. Royal Pharma considers risks associated with route development, process optimisation, scale-up, technology transfer and process robustness. These risks are managed through technical evaluation, development controls, testing and continuous process improvement.

Supply Chain Risk (GRI 2-6 | GRI 204-1)

Reliable pharmaceutical manufacturing depends on the availability and quality of raw materials and other inputs. Royal Pharma therefore considers raw-material availability, supplier dependency, logistics, procurement and continuity-of-supply risks. Supplier evaluation, procurement controls and supply planning help strengthen supply-chain resilience.

Manufacturing & Process Safety (GRI 403-2)

Royal Pharma's manufacturing activities involve chemicals and specialised processes that require careful risk management. The Company considers risks associated with chemical handling, hazardous reactions, equipment reliability, fire, emergency situations and process safety. Appropriate operating procedures, safety controls, training and emergency preparedness support safe operations.

Environmental Risk Management (GRI 3-3)

Environmental risks are managed through consideration of GHG emissions, energy consumption, water use, effluent, Zero Liquid Discharge (ZLD), waste management and environmental compliance. Royal Pharma's environmental initiatives, including resource optimisation, solar energy integration, rainwater harvesting and ZLD, support its approach to reducing environmental impacts.

Occupational Health & Safety (GRI 403-1, 403-2, 403-9)

Protecting employees is an important part of risk management. Royal Pharma considers risks related to workplace hazards, chemical exposure, process safety and emergency preparedness. Safety procedures, training, protective measures and emergency response mechanisms support the prevention and management of workplace incidents.

Regulatory & Compliance Risks (GRI 2-27)

Royal Pharma operates within a highly regulated pharmaceutical environment. Its risk management therefore considers pharmaceutical, environmental, labour, occupational health and safety and other applicable regulatory requirements. Regulatory monitoring, compliance procedures, inspections and corrective actions help maintain alignment with applicable requirements.

Information & Cybersecurity Risks

The protection of confidential and business-critical information is also considered within the Company's risk environment. Relevant risks include data protection, cybersecurity threats, customer information, technical information and other sensitive business data. Appropriate access controls, information-security practices and monitoring mechanisms help protect critical information.

Business Continuity & Resilience (GRI 2-22)

Unexpected events can affect manufacturing and business operations. Royal Pharma's risk approach considers potential operational disruptions, emergencies and critical business interruptions and the need for preparedness, response and recovery measures to maintain essential activities.

Financial & Commercial Risks (GRI 201-1)

Royal Pharma also considers risks that may influence financial and commercial performance, including financial controls, market conditions, customer requirements and business performance. Appropriate financial controls, management reviews and business planning support informed decision-making and organisational resilience.

Third-Party Risk & Anti-Corruption Due Diligence (GRI 205-1)

Royal Pharma recognises that third parties—including suppliers, vendors, contractors, consultants, distributors, agents and other business partners—can introduce compliance and corruption risks. Before entering into higher-risk relationships, appropriate due diligence should be undertaken to understand the third party and assess potential integrity concerns.

This process includes reviewing third-party identity and ownership, business credentials, qualifications, nature of services, payment arrangements, potential conflicts of interest and relevant compliance concerns. Higher-risk relationships should receive enhanced review and appropriate contractual requirements covering ethical conduct, anti-corruption compliance, accurate records, audit rights and consequences for serious compliance breaches.

Sensitive Transactions & Approval Controls (GRI 205-2)

Certain transactions involving gifts, hospitality, travel, entertainment and professional services can create or appear to create personal benefits or conflicts of interest. Royal Pharma's control framework should therefore establish clear requirements for identifying, reporting and approving such transactions.



The process should define permissible categories, monetary thresholds, approval authorities, supporting documentation and escalation requirements. Transactions involving government officials or other high-risk stakeholders should receive enhanced scrutiny and appropriate prior approval.

Risk Mitigation & Internal Controls (GRI 3-3)

Once risks are identified and assessed, Royal Pharma manages them through a combination of preventive and corrective controls, documented procedures, defined responsibilities and monitoring mechanisms. Depending on the nature of the risk, these controls may include SOPs, GMP and quality controls, EHS procedures, supplier assessments, segregation of duties, approval workflows, emergency preparedness, training, audits and CAPA.

The Royal Management System (RMS) provides a structured framework that connects systems, people, skills and strategy, supporting consistent implementation and continuous improvement across functions.

Reporting, Whistleblower & Escalation Mechanisms (GRI 2-26)

An effective risk-management framework also depends on the ability of employees and relevant external parties to raise concerns. Royal Pharma should provide appropriate mechanisms for reporting corruption, unethical conduct, conflicts of interest, regulatory violations, safety concerns and other serious misconduct.

These mechanisms should provide confidentiality, non-retaliation protection and dedicated reporting channels, together with documented procedures for investigation, escalation, corrective action and closure.

Monitoring, Testing & Audit (GRI 2-16)

Risk management continues through periodic monitoring of risk exposure and control effectiveness. Royal Pharma's approach should include internal monitoring, compliance testing, management reviews and formal audits.

Reviews should establish the scope of the assessment, accountable function or person, controls being tested, findings, corrective actions and follow-up verification. This helps determine whether existing controls remain effective and whether emerging risks require additional mitigation.

Incident Learning & Continuous Improvement (GRI 3-3)

Incidents, deviations, audit findings, compliance concerns and risk reviews provide opportunities to strengthen Royal Pharma's control environment. Lessons learned can be incorporated into risk assessments, procedures, training, CAPA, operational controls and management reviews.

Through this continuous cycle, Royal Pharma strengthens its ability to anticipate risks, prevent incidents, respond effectively to emerging challenges and improve the resilience of its pharmaceutical operations.



Data Privacy & Information Security

(GRI 2 , GRI 418)

At Royal Pharma, protecting information is an integral part of maintaining trust and supporting responsible pharmaceutical operations. Our business involves sensitive information across R&D, process development, manufacturing, quality, regulatory affairs, customer relationships, employees, suppliers and business operations. We have therefore established practices to protect confidential, personal and business-critical information throughout its lifecycle.

Protecting Information & Intellectual Property (GRI 2-23)

We protect information through controls covering the collection, use, storage and access of Company information. Particular attention is given to sensitive R&D and technical information, including formulations, process-development data, technical know-how, research information and intellectual property.

Confidentiality requirements and access controls help protect this information from unauthorised access, disclosure, alteration or misuse.

Customer & Employee Data Privacy (GRI 418-1 | GRI 2-23)

We handle customer and employee information responsibly and restrict access to authorised personnel with legitimate business requirements.

Where personal information is collected, we communicate relevant information regarding the type of data collected, purpose of collection, storage and retention arrangements and authorised third-party sharing, as applicable.

Access Controls & Cybersecurity (GRI 2-23)

We have implemented access controls to protect sensitive systems and information from unauthorised access. Role-based access, authentication, authorisation and access reviews help ensure that information is accessible only to appropriate personnel based on their responsibilities.

Our cybersecurity practices address risks including phishing, malware, unauthorised access and other cyber threats, supported by appropriate preventive and monitoring controls.

Information Security Incident Management (GRI 2-26)

We provide mechanisms through which employees and relevant external parties can raise concerns relating to data breaches, unauthorised access, phishing incidents and other information-security issues.

Our reporting approach provides confidentiality and non-retaliation protection for good-faith reporting and includes dedicated reporting channels through designated contacts and appropriate communication mechanisms. Reported concerns are assessed, investigated and escalated through defined processes.

Data Retention & Secure Disposal (GRI 2-23)

We manage information according to defined retention requirements. Our approach includes a data-retention schedule that establishes appropriate retention periods for different categories of customer, employee, technical and business information. Information that is no longer required is securely archived or disposed of through appropriate physical or digital methods to prevent unauthorised recovery or disclosure.

Third-Party Information Security (GRI 2-6)

We recognise that suppliers, contractors, consultants and other external parties may handle Company information. Appropriate confidentiality, access, data-protection and information-security requirements are incorporated into relevant third-party relationships based on the nature and sensitivity of the information involved. Where applicable, third parties are also required to follow requirements relating to incident reporting, restricted access and secure return or deletion of information.

Cybersecurity Training & Awareness (GRI 404-2)

We strengthen employee awareness through training and communication on data protection, cybersecurity, phishing awareness, password and access security, responsible information handling and incident reporting.

These activities help employees recognise information-security risks and understand their responsibilities in protecting Company and stakeholder information.

Incident Response, Recovery & Continuous Improvement (GRI 2-26)

We have established processes for detecting, reporting, containing, investigating and responding to information-security incidents. When an incident occurs, actions are taken to limit its impact, protect affected information, investigate the underlying cause and implement appropriate corrective measures.

Backup and recovery measures support the restoration of critical information and systems and help maintain business continuity. Lessons from incidents, risk assessments, reviews and corrective actions are incorporated into our security controls, procedures, training and improvement initiatives.

Through these practices, we continue to strengthen the protection of R&D information, intellectual property, customer and employee data and business-critical systems, while enhancing our ability to prevent, detect and respond to information-security risks.

Information Security Risk Assessment (GRI 2-12 & GRI 2-13)

We assess information-security risks across relevant areas of our operations to identify vulnerabilities and prioritise mitigation measures. Our assessment process includes periodic review of risks, documentation of identified risks, evaluation of existing controls and development of corrective action plans where gaps are identified. The risk assessment process is reviewed as business processes, technologies, threats and regulatory requirements evolve.

Data Protection & Regulatory Compliance (GRI 2-27)

We maintain our information-management practices in accordance with applicable data-protection, privacy and information-security requirements. Relevant regulatory developments are monitored and incorporated into applicable policies, procedures and controls to support continued compliance.







ENVIRONMENTAL RESPONSIBILITY

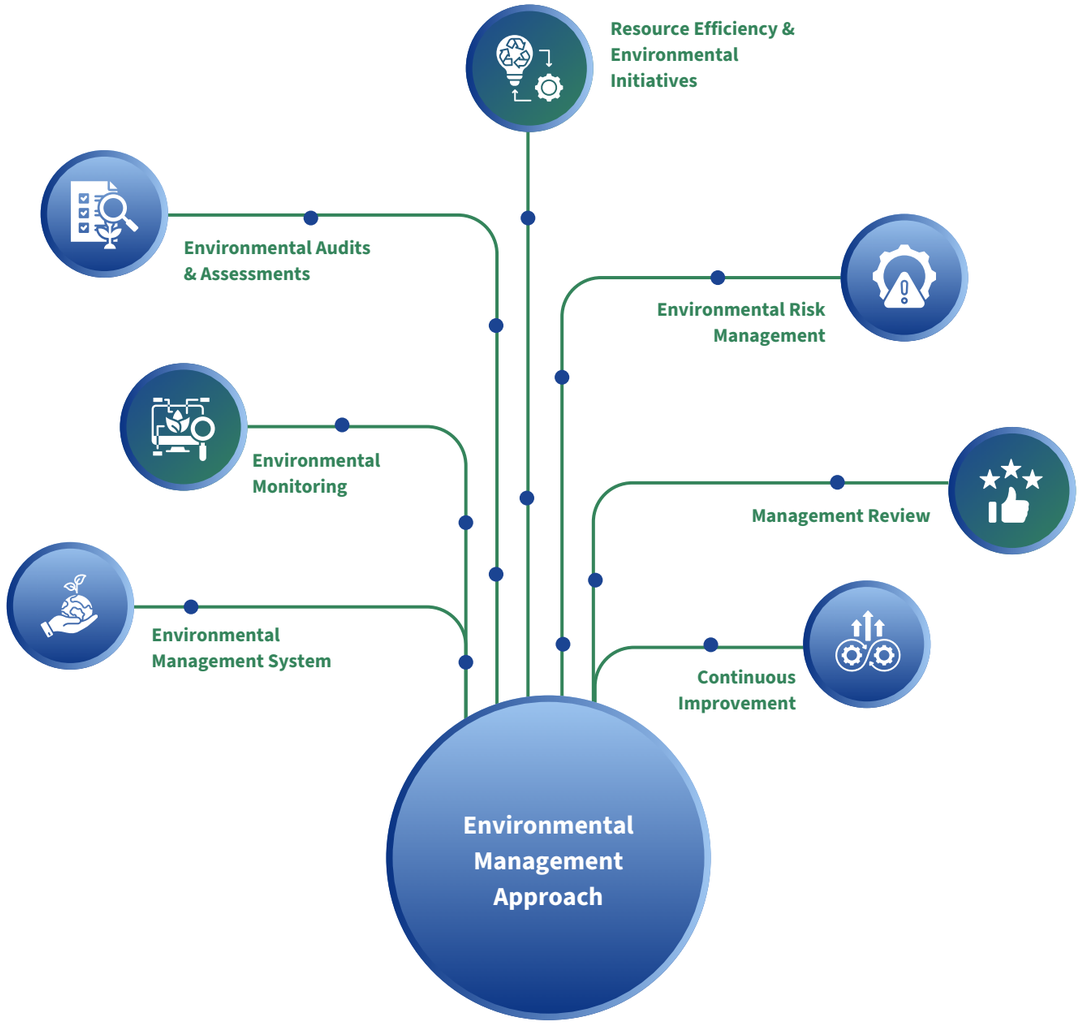
- Environmental Management & Regulatory Compliance.
- Climate Action & Emissions Management.
- Energy Management & Resource Efficiency.
- Water Stewardship & Effluent Management.
- Air Emissions & Pollution Prevention.
- Waste Management & Resource Recovery.
- Materials & Chemical Stewardship.
- Sustainable Process Development & Green Chemistry.

Environmental Management & Regulatory Compliance

(GRI 3-3)

At Royal Pharma, environmental management is integrated into our approach to responsible pharmaceutical manufacturing, resource efficiency and sustainable operations. Our environmental practices are supported by ISO 14001:2015, together with operational controls and initiatives focused on managing environmental impacts and promoting continual improvement.

Our approach considers the environmental aspects associated with pharmaceutical manufacturing, chemical handling, energy consumption, water use, effluent management, waste generation, emissions and resource utilisation.



Environmental Management System (GRI 3-3)

Royal Pharma's ISO 14001:2015 Environmental Management System provides a structured framework for identifying, managing and monitoring environmental aspects associated with our operations.



Environmental Monitoring (GRI 3-3)

We monitor relevant environmental parameters associated with our pharmaceutical manufacturing activities. Our environmental management practices cover energy consumption, water use, effluent management, Zero Liquid Discharge (ZLD), waste management, emissions and resource efficiency.

Royal Pharma's environmental initiatives include rainwater harvesting, solar energy integration and hot-water circulation, supporting more efficient use of natural resources and reducing environmental impacts.

Environmental Audits & Assessments (GRI 3-3)

Royal Pharma's environmental management practices are supported through periodic assessments, monitoring and management-system reviews. These activities help identify environmental risks, evaluate the effectiveness of existing controls and identify areas requiring corrective or preventive action.

The findings from assessments and reviews contribute to strengthening environmental controls and improving operational performance.

Resource Efficiency & Environmental Initiatives (GRI 3-3)

Resource efficiency is an important part of Royal Pharma's environmental approach. We focus on improving the efficiency of energy and water use and reducing environmental impacts associated with pharmaceutical manufacturing processes. Initiatives such as solar energy integration, rainwater harvesting, hot-water circulation and Zero Liquid Discharge (ZLD) demonstrate our focus on resource conservation, water management and responsible manufacturing.

Environmental Risk Management (GRI 3-3)

Environmental risks associated with our pharmaceutical and chemical manufacturing activities are managed through operational controls, environmental monitoring, compliance requirements, preventive measures and risk assessments.

Key areas of attention include effluent, hazardous and other waste, emissions, water consumption, energy use, chemical handling and potential environmental incidents. These measures support the prevention and reduction of environmental impacts from our operations.

Management Review & Continuous Improvement (GRI 3-3)

Environmental performance and management practices are periodically reviewed to identify opportunities for improvement. The ISO 14001:2015 framework provides a structured basis for reviewing environmental performance, addressing identified gaps and strengthening environmental controls.

Through this approach, Royal Pharma continues to advance resource efficiency, environmental compliance, responsible pharmaceutical manufacturing and continual improvement in environmental performance.

Environmental Policy & Commitments GRI 2-23, GRI 2-24, GRI 3-3

Royal Pharma's environmental policy and commitments provide the direction for integrating environmental responsibility into pharmaceutical manufacturing and supporting operations. The policy framework complements our Environmental Management System by establishing expectations for responsible resource use, pollution prevention, environmental compliance and continual improvement.

Regulatory Compliance

Royal Pharma seeks to comply with applicable environmental laws, regulations, permits, consent conditions and other relevant requirements associated with its operations.

Environmental compliance is supported through monitoring, documentation, operational controls and periodic review of applicable requirements.

Environmental Protection & Pollution Prevention

We are committed to managing and reducing environmental impacts associated with our operations. This includes maintaining appropriate controls for emissions, effluent, waste, chemicals and other environmental aspects arising from pharmaceutical manufacturing.

Our approach emphasises the prevention of pollution at source, wherever technically and operationally feasible, supported by appropriate process controls, monitoring and corrective actions.

Water, Effluent & Waste Management

Water and waste management are important components of our environmental responsibility.

We focus on responsible water use, appropriate effluent treatment and management of waste streams generated through pharmaceutical manufacturing and supporting activities.

Our ZLD approach, together with relevant treatment and operational controls, supports efforts to minimise environmental impacts associated with wastewater and manufacturing residues.

Efficient Resource Use

We seek to promote the efficient use of natural resources across our operations. Our approach includes initiatives relating to energy efficiency, renewable energy, water conservation, rainwater harvesting, process optimisation and responsible resource utilisation.

Efficient Resource Use

We seek to promote the efficient use of natural resources across our operations. Our approach includes initiatives relating to energy efficiency, renewable energy, water conservation, rainwater harvesting, process optimisation and responsible resource utilisation.

Environmental Risk Prevention

We seek to identify and manage environmental risks associated with manufacturing processes, chemical handling, storage, utilities and other operational activities.

Preventive controls, monitoring arrangements and emergency preparedness measures support the management of potential spills, leaks, emissions and other environmental incidents.

Employee Awareness & Responsibility

Environmental performance depends on the active involvement of employees across functions. Royal Pharma seeks to build awareness of environmental responsibilities, operational controls and relevant environmental practices among employees involved in manufacturing and supporting activities.

Continual Improvement

Our environmental commitments are supported by a continual-improvement approach. Environmental monitoring, audits, assessments, management reviews and corrective actions help identify opportunities to strengthen environmental performance over time.

Our Environmental Commitment

Royal Pharma is committed to responsible manufacturing and environmental stewardship by integrating pollution prevention, efficient resource use and environmental compliance into its operations. Our approach focuses on the responsible management of energy, water, effluent, waste and chemicals, supported by appropriate operational controls and risk-prevention measures. Through environmental monitoring, emergency preparedness, periodic reviews and continual improvement, we seek to minimise environmental impacts, strengthen resource efficiency and advance sustainable pharmaceutical manufacturing



Climate Action & Emissions Management

(GRI 305)

At Royal Pharma, climate action is integrated into our approach to responsible pharmaceutical manufacturing, resource efficiency and environmental performance. Our approach focuses on understanding greenhouse gas (GHG) emission sources, monitoring emissions, improving operational efficiency and identifying opportunities to reduce our carbon footprint.

Our environmental management practices are supported by ISO 14001:2015, while initiatives such as solar energy integration, hot-water circulation, rainwater harvesting and Zero Liquid Discharge (ZLD) contribute to resource conservation and improved environmental performance.

Climate Change & Climate-related Risks (GRI 201-2)

Climate-related factors can influence Royal Pharma's manufacturing operations, energy and water availability, infrastructure, supply-chain continuity and business resilience. We recognise the importance of considering these factors while strengthening the resilience of our pharmaceutical operations.

Our climate-related considerations include potential extreme weather events, water availability, disruption to raw-material supply and transportation, changing environmental requirements and evolving energy expectations. These considerations are integrated, where relevant, into environmental risk management, emergency preparedness and business-continuity planning.

GHG Management (GRI 305)

Royal Pharma's GHG management approach focuses on understanding and managing emissions associated with our pharmaceutical manufacturing activities, utilities and other relevant operations. Monitoring our emissions profile helps us identify significant sources and opportunities for process optimisation, resource efficiency and emission reduction.

Our GHG management approach forms part of our broader environmental-management framework and supports our efforts to improve the environmental performance of our operations.

GHG Accounting & Environmental Management Framework (GRI 305-1, 305-2 & 305-3)

Royal Pharma's GHG management framework considers emissions associated with manufacturing operations, utilities and other activities within the relevant organisational boundary. Activity data relating to fuel consumption, purchased electricity and other relevant operational activities provides the basis for understanding our GHG profile.

The framework enables us to identify emission sources, monitor performance and identify opportunities for reducing emissions associated with our operations and value chain.

GHG Accounting Methodology (GRI 305-1, 305-2 & 305-3)

Royal Pharma's GHG accounting approach is structured around the GHG Protocol Corporate Accounting and Reporting Standard. The methodology distinguishes between direct emissions from sources under our operational control, indirect emissions associated with purchased electricity and other relevant value-chain emissions.

Our GHG inventory is structured as follows:

Scope 1

Direct GHG emissions from sources owned or controlled by Royal Pharma.





Indirect GHG emissions associated with purchased electricity consumed by Royal Pharma.

Scope 2

Scope 3

Other indirect GHG emissions occurring across the relevant value chain.



GHG Monitoring System (GRI 305-1, 305-2 & 305-3)

We monitor information relating to fuel consumption, electricity use and other relevant energy activities to understand the GHG emissions associated with our operations. This monitoring supports identification of significant emission sources and helps us evaluate opportunities for improving operational efficiency.

Our ISO 14001:2015 Environmental Management System provides a structured framework for environmental monitoring, operational controls, review and continual improvement. Where undertaken, energy or carbon assessments can further support the identification of emission sources and opportunities for improvement.

Scope-wise GHG Emissions

Scope 1 Direct GHG Emissions

(GRI 305-1)
Scope 1 emissions represent direct GHG emissions from sources owned or controlled by Royal Pharma. Relevant sources include fuel combustion associated with boilers, DG sets and other stationary equipment, together with other direct operational sources, where applicable. Monitoring Scope 1 emissions helps us understand the direct carbon footprint of our operations and identify opportunities to improve fuel efficiency, optimise equipment performance and reduce associated emissions.

Scope 1 Emissions Performance

Scope 1 GHG Emissions	FY 2023–24	FY 2024–25	FY 2025–26
Scope 1 GHG Emissions (tCO_2e)	Not calculated	1.21	313.36

Scope 2 Indirect GHG Emissions

(GRI 305-2)
Scope 2 emissions arise from the generation of purchased electricity consumed by Royal Pharma's manufacturing and supporting operations. Monitoring electricity consumption therefore forms an important part of our GHG-management approach. The integration of solar energy supports the use of renewable energy and contributes to reducing dependence on conventional energy sources.

Scope 2 Emissions Performance

Scope 2 GHG Emissions	FY 2023–24	FY 2024–25	FY 2025–26
Purchased Electricity (kWh/GJ)	16,469 kWh	19,030 kWh	2,22,456 kWh
Scope 2 GHG Emissions (tCO_2e) - Location based	11.97	13.51	157.94
Scope 2 GHG Emissions (tCO_2e) - Market Based	11.97	13.51	157.94

Scope 3 Other Indirect GHG Emissions

(GRI 305-3)
Scope 3 emissions represent other indirect GHG emissions occurring across Royal Pharma's value chain and outside our owned or controlled operations. Relevant categories may include purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and downstream transportation and distribution, subject to relevance, materiality and data availability. Assessing these emissions provides a broader understanding of our value-chain carbon footprint and can support opportunities for supplier engagement, logistics optimisation, waste reduction and other value-chain emission-reduction measures.

Scope 3 Emissions Performance

Scope 3 GHG Emissions	FY 2023–24	FY 2024–25	FY 2025–26
Scope 3 Upstream GHG Emission (tCO2e)	3.47	12.88	35.31
Scope 3 Downstream GHG Emission (tCO2e)	0	0.01	0.01
Total Scope 3 Emissions (tCO_2e)	1,021.23	636.04	2,612.64

Scope 3 Category Assessment

Scope 3 Category	Royal Pharma Relevance
Purchased goods & services	Raw materials, intermediates, packaging and other inputs
Capital goods	Manufacturing equipment, facilities and infrastructure
Fuel- & energy-related activities	Upstream emissions associated with purchased energy
Upstream transportation & distribution	Transportation of raw materials and purchased inputs
Waste generated in operations	Treatment and disposal of operational waste
Business travel	Employee business travel
Employee commuting	Travel to and from Royal Pharma facilities
Downstream transportation & distribution	Distribution of pharmaceutical products

GHG Emission Intensity

(GRI 305-4)
We monitor GHG emissions in relation to production output, where applicable, to understand changes in our carbon performance while accounting for variations in manufacturing volumes.

GHG Emissions Intensity = (Scope 1 + Scope 2 GHG Emissions, tCO_2e) ÷ Revenue (₹ Cr)

GHG Intensity	FY 2023–24	FY 2024–25	FY 2025–26
GHG Emissions Intensity (Scope 1 + 2) (tCO_2e/₹ Cr revenue)	0.00076	0.00014	0.00017

GHG Mitigation & Decarbonisation Initiatives (GRI 305-5)

Royal Pharma's approach to reducing GHG emissions focuses on process optimisation, resource efficiency, improved energy performance and renewable-energy adoption. Our R&D and process-development capabilities support the development of safe, scalable and economically viable pharmaceutical processes, while our manufacturing approach focuses on efficient use of resources and reducing environmental impacts.

Our documented sustainability initiatives, including solar energy integration, hot-water circulation, rainwater harvesting and ZLD, contribute to resource conservation and support our broader environmental objectives.

Climate Resilience & Adaptation

Royal Pharma recognises the importance of maintaining resilient operations in the face of climate-related disruptions. Our environmental-management and operational systems provide a foundation for addressing potential impacts on water availability, manufacturing infrastructure, energy supply, raw-material availability and supply-chain continuity. Preparedness for potential disruptions supports the continuity of critical pharmaceutical operations and strengthens our ability to respond to changing environmental conditions.

Climate Action & Future Priorities

Our climate-action priorities are centred on progressively strengthening our ability to measure, manage and reduce GHG emissions. These priorities include:

1. Maintaining a robust GHG inventory covering Scope 1, Scope 2 and relevant Scope 3 emissions.
2. Identifying significant emission sources and carbon-intensity hotspots.
3. Improving process and operational efficiency.
4. Increasing renewable-energy use where feasible.
5. Optimising pharmaceutical processes through R&D and process development.
6. Assessing physical and transition climate-related risks.
7. Strengthening operational resilience and business continuity.
8. Establishing measurable GHG-reduction objectives as appropriate data and baselines become available.

Climate and GHG Action Areas

GHG Emissions
Measurement and management of Scope 1, Scope 2 and relevant Scope 3 emissions

Manufacturing Processes
Process optimisation and improved resource efficiency

Energy & Utilities
Improved operational efficiency and management of energy-related emissions

Renewable Energy
Solar energy integration to reduce dependence on conventional energy

Water & Resource Management
Rainwater harvesting, hot-water circulation and ZLD

R&D & Process Development
Development and optimisation of safe, scalable and efficient pharmaceutical processes

Climate Resilience
Consideration of climate-related risks affecting operations and infrastructure

Supply Chain
Consideration of climate-related risks affecting raw materials, logistics and supply continuity

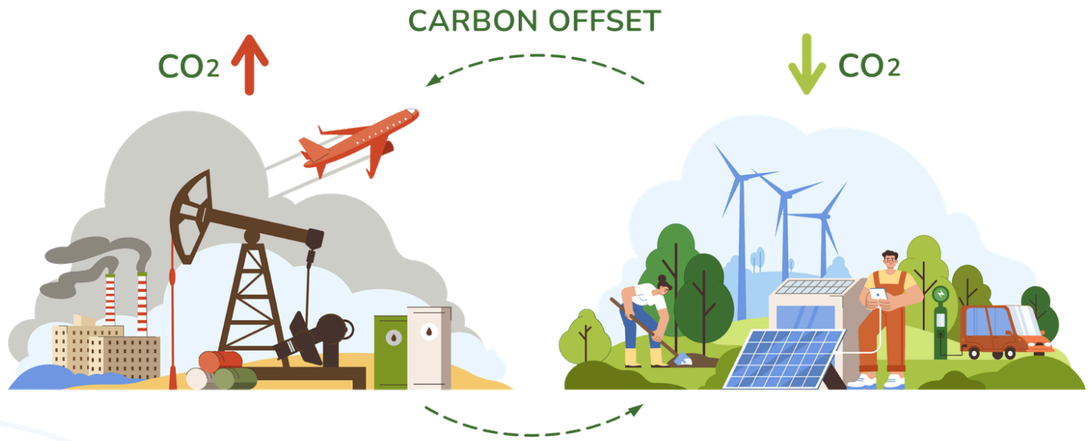
Environmental Management
Continued environmental management through the ISO 14001:2015 framework

Continuous Improvement
Monitoring performance and identifying opportunities to strengthen climate action

GHG Reduction Targets (GRI 305-5)

Royal Pharma's GHG-management approach provides a basis for establishing measurable objectives relating to emission reduction, emissions intensity and renewable-energy adoption when appropriate baselines and reliable performance data are available.

GHG Area	Baseline Year	Target Year	Target
Scope 1	FY 2025–26	FY 2029–30	7% reduction
Scope 2	FY 2025–26	FY 2029–30	7% reduction
Scope 3	FY 2025–26	FY 2029–30	7% reduction



Energy Management & Resource Efficiency

(GRI 302)

At Royal Pharma, energy and resource efficiency are integrated into our approach to sustainable pharmaceutical manufacturing. We focus on optimising the use of raw materials, utilities and other resources while improving the efficiency of our manufacturing processes. Our sustainability priorities include hot-water circulation, rainwater harvesting, Zero Liquid Discharge (ZLD) and solar energy integration, supported by our broader environmental-management approach.

Energy Consumption & Monitoring (GRI 302-1)

Royal Pharma monitors the energy used across its manufacturing activities and supporting utilities to understand major consumption areas and identify opportunities for improvement. Relevant energy sources include purchased electricity, fuel and other energy used in manufacturing and utility operations.

Monitoring energy consumption provides a basis for evaluating operational performance and supporting decisions on energy efficiency and resource optimisation.

Energy Efficiency (GRI 302-4)

Energy efficiency is supported through improvements in manufacturing processes and utility systems. A key Royal Pharma initiative is the use of a Hot Water Circulation System instead of steam for reactions below 80°C. This approach is designed to improve the efficiency of the heating process while reducing resource requirements associated with applicable manufacturing activities. Royal Pharma also focuses on process enhancement to reduce resource consumption and improve the efficiency of manufacturing operations.

Resource Efficiency (GRI 302-4)

Royal Pharma takes a holistic approach to resource management by optimising the use of raw materials, utilities and human resources to minimise its environmental footprint. Resource efficiency is therefore considered across manufacturing and supporting activities rather than being limited to energy consumption alone.

The Company's focus on process enhancement also supports more efficient use of water, particularly for high-water-use materials.

Process Optimisation (GRI 302-4)

Royal Pharma monitors the energy used across its manufacturing activities and supporting utilities to understand major consumption areas and identify opportunities for improvement. Relevant energy sources include purchased electricity, fuel and other energy used in manufacturing and utility operations.

Monitoring energy consumption provides a basis for evaluating operational performance and supporting decisions on energy efficiency and resource optimisation.

Renewable Energy (GRI 302-1)

Solar energy integration is one of Royal Pharma's identified sustainability priorities. The use of solar energy supports the Company's efforts to increase renewable-energy use and reduce dependence on conventional energy sources.

Renewable Energy Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Renewable Energy Consumption (kWh)	0	0	0
Renewable Energy as % of Total Energy	0%	0%	0%

Energy Intensity (GRI 302-3)

Energy intensity provides a basis for assessing Royal Pharma's energy consumption in relation to an appropriate organisational metric. The Company can track energy consumption against production output or another consistently applied denominator to understand changes in energy efficiency as manufacturing volumes and processes evolve.

Energy Performance Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Total Energy Consumption	16,469 kWh	19,030 kWh	2,22,456 kWh
Renewable Energy Consumption	0 kWh	0 kWh	0 kWh
Renewable Energy as % of Total Energy	0%	0%	0%

Energy Reduction Initiatives (GRI 302-4)

Royal Pharma's energy-reduction approach focuses on process improvement, utility optimisation and the adoption of more efficient operating practices. The Hot Water Circulation System for sub-80°C reactions is one of the Company's documented initiatives supporting more efficient thermal operations. Where energy-saving initiatives are quantified, reductions can be assessed against an established baseline to demonstrate their contribution to improved energy performance.

Waste Heat / Energy Recovery (GRI 302-4)

Royal Pharma's documented sustainability information does not establish the implementation of a dedicated waste-heat recovery, CHP or cogeneration system. Therefore, no such system is presented as an existing initiative in this report. Where such technologies are implemented in the future, their energy savings and associated reductions can be quantified against an appropriate baseline.

Water & Resource Conservation (GRI 303-3, GRI 303-4 & GRI 303-5)

Resource efficiency at Royal Pharma extends to water management. The Company has an inbuilt rainwater-harvesting system and focuses on process enhancement to reduce water consumption, particularly for high-water-use materials. Royal Pharma also operates within a Zero Liquid Discharge framework, with its current process involving treatment of effluent before discharge to the CETP to meet government-prescribed norms. The upcoming E-128 facility is planned with a 50 KLPD ZLD system, designed to treat low- and high-COD streams separately.

Waste & Resource Recovery (GRI 306-2)

Royal Pharma's resource-management approach also considers the responsible handling and utilisation of waste streams. The Company is a member of a Go-Green environmental initiative, under which organic residue is directed for co-processing, including the use of high-calorific-value organic residue as fuel in the cement industry. This approach supports resource recovery and helps reduce the environmental impact associated with the disposal of suitable organic residues.

Cleaner & More Efficient Production (GRI 302-4)

Royal Pharma's approach to cleaner production is reflected in its focus on process enhancement, resource optimisation and sustainable manufacturing practices. The combination of process improvement, hot-water circulation, water conservation, renewable-energy integration and ZLD supports the Company's objective of reducing the environmental footprint of pharmaceutical manufacturing.

Performance Monitoring & Continuous Improvement (GRI 302-3 & GRI 302-4)

Royal Pharma reviews its energy and resource-management practices to identify opportunities for greater efficiency and improved environmental performance. Energy consumption, energy intensity, renewable-energy use and resource-efficiency initiatives can be tracked over time to understand performance and support continuous improvement.

The Company's Royal Management System (RMS) provides an overarching framework built around Structure, Systems, Style, Staff, Skills and Strategy, supporting the integration of management practices across the organisation.

Energy Performance – Three-Year Disclosure

Energy Performance Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Total Energy Consumption from Electricity (kWh)	16,469	19,030	2,22,456
Energy Intensity (GJ/MT Production)	0	0	0
Renewable Energy Consumption (kWh)	0	0	0
Renewable Energy as % of Total Energy	0%	0%	0%
Employees Trained on Energy Efficiency (%)	0%	0%	100%



Water Stewardship & Effluent Management

(GRI 303)

At Royal Pharma, responsible water management is an important part of sustainable pharmaceutical manufacturing. Our approach focuses on reducing water consumption, improving process efficiency, harvesting rainwater, treating manufacturing effluent and strengthening water conservation practices.

Royal Pharma identifies rainwater harvesting, Zero Liquid Discharge (ZLD), process enhancement and resource optimisation among its sustainability priorities. The Company also operates a purified water system at its existing manufacturing facility and has incorporated a 50 KLPD ZLD facility into its newer manufacturing infrastructure.

1 Water Consumption & Monitoring

(GRI 303-3 & GRI 303-5)

Royal Pharma manages water use across its pharmaceutical manufacturing processes, utilities and supporting operations. Water requirements are considered as part of the Company's broader resource-efficiency approach, with emphasis on identifying areas of significant consumption and opportunities for reduction.

The Company's sustainability approach specifically focuses on process enhancement to reduce water consumption, particularly for high-water-use materials.
Where data is available, Royal Pharma can track water withdrawal, water consumption and water intensity to understand changes in water-use performance over time.

2 Water Conservation & Process Efficiency

(GRI 303-5)

Royal Pharma focuses on improving the efficiency of water use through process enhancement and optimisation of manufacturing activities. Particular attention is given to processes involving materials with higher water requirements.

Our R&D capabilities support process development and scale-up, with a focus on safe, scalable, economical routes and minimum effluent generation. This process-development approach supports opportunities to reduce resource requirements while maintaining pharmaceutical quality and process performance.

3 Water-Efficient Cooling Management

(GRI 303-5)

Royal Pharma has implemented water-efficient cooling practices as part of its approach to reducing water consumption across pharmaceutical manufacturing operations. Cooling-water requirements are managed through water recirculation and reuse within the cooling system, helping reduce the need for continuous freshwater intake and minimise water losses. The system is operated to retain and recirculate cooling water within the process, supporting efficient use of freshwater resources, while monitoring and maintenance of the cooling system help maintain effective performance. Through these measures, Royal Pharma strengthens water conservation, process efficiency and responsible resource management across its manufacturing operations.

4 Rainwater Harvesting

(GRI 303-1)

Royal Pharma has an in-built rainwater-harvesting system as part of its sustainability initiatives. The system supports the Company's efforts to conserve water resources by capturing rainwater within its operations.

Rainwater harvesting forms part of Royal Pharma's broader approach to reducing pressure on conventional water sources and strengthening responsible water management.

5 Effluent Treatment & Management

(GRI 303-2 & GRI 303-4)

Effluent generated from Royal Pharma's pharmaceutical manufacturing activities is managed through treatment processes before discharge. The Company's current sustainability information states that treated effluent is sent to the CETP for additional treatment to meet government-prescribed norms, supported by relevant agreements and MWML membership.

This approach supports responsible management of wastewater generated from manufacturing activities and helps ensure that treated effluent is managed in accordance with applicable requirements.

6 Zero Liquid Discharge (ZLD)

(GRI 303-2 & GRI 303-4)

Zero Liquid Discharge is a significant component of Royal Pharma's water and effluent-management approach.

The Company's newer manufacturing infrastructure includes a planned 50 KLPD effluent treatment facility with ZLD capability. The system, which is under implementation, is designed to treat low-COD and high-COD streams separately, further strengthening the Company's approach to effluent treatment and water management.

This infrastructure supports Royal Pharma's objective of strengthening wastewater management as manufacturing capacity expands.

7 CETP & Treated Effluent Management

(GRI 303-4)

Royal Pharma's current process involves sending treated effluent to the CETP, where additional treatment is undertaken to meet applicable government-prescribed norms. The Company states that this process is supported by agreements and MWML membership.

This provides a controlled pathway for managing treated wastewater generated through pharmaceutical manufacturing.

8 Wastewater Quality Monitoring

(GRI 303-2 & GRI 303-4)

Royal Pharma manages wastewater treatment with the objective of ensuring that treated effluent meets applicable requirements before it proceeds through the relevant discharge pathway.

Regular monitoring of relevant wastewater and treated-effluent parameters should be maintained to demonstrate treatment effectiveness, regulatory compliance and consistency of discharge quality.

Where laboratory testing records are maintained, the results can be used to demonstrate compliance and identify opportunities for improving effluent-treatment performance.

9 Groundwater Protection

(GRI 303-1 & GRI 303-2)

Royal Pharma's water-management approach places emphasis on controlled treatment and management of manufacturing effluent to minimise potential environmental impacts. The available Royal Pharma information does not specifically establish a groundwater-monitoring programme, groundwater quality testing, physical groundwater containment system or dedicated groundwater remediation programme. Therefore, these activities have not been presented as completed initiatives.

Where such controls are implemented, Royal Pharma can strengthen its disclosure through groundwater-quality monitoring, spill prevention, containment measures and periodic assessment of potential contamination risks.

10 Water Recycling & Reuse

(GRI 303-5)

Royal Pharma's water-management approach provides opportunities to increase the reuse of treated water and reduce dependence on freshwater sources. The Company's ZLD and effluent-treatment infrastructure provides a foundation for improved water management; however, the available public information does not provide sufficient evidence to quantify internal treated-water reuse or recycling volumes. Future reporting can include recycled-water volumes and reuse applications where verified operational data is available.

11 Pharmaceutical Residues & API Management in Wastewater

(GRI 303-2)

Given Royal Pharma's activities in APIs, advanced intermediates and speciality chemicals, responsible management of pharmaceutical residues in wastewater is an important environmental consideration.

Royal Pharma's available public information confirms its effluent-treatment and ZLD infrastructure, but does not specifically confirm the use of advanced API-removal technologies such as advanced oxidation or membrane filtration.

Therefore, no specific API-removal technology is claimed in this report. Where such technologies are implemented, Royal Pharma can disclose the treatment method, targeted contaminants and performance results.

12 Water-related Risks & Resilience

Water availability is relevant to Royal Pharma because pharmaceutical manufacturing depends on reliable water resources for production, utilities, cleaning and supporting activities.

The Company therefore considers the importance of:

- Water availability and potential water stress
- Increasing water-use efficiency
- Reducing water requirements in high-water-use processes
- Rainwater harvesting
- Reliable effluent-treatment capacity
- Continuity of manufacturing operations during water-related disruptions

These measures support resilience while strengthening responsible water management.

13 Regulatory Compliance

(GRI 303-2 & GRI 303-4)

Royal Pharma manages wastewater in accordance with applicable environmental requirements. Its current effluent-management process involves treatment followed by CETP treatment to meet government-prescribed norms, while the newer manufacturing facility incorporates a ZLD system.

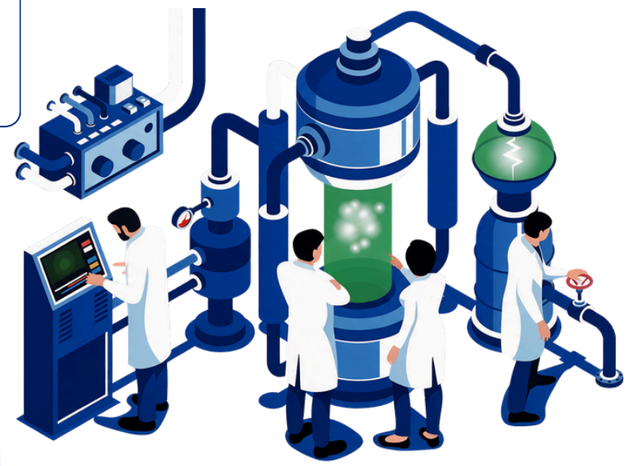
The Company's ISO 14001:2015 certification further provides an environmental-management framework supporting systematic environmental controls and continual improvement.

14 Water Audit & Performance Review

(GRI 303-3 & GRI 303-5)

A structured water audit can provide Royal Pharma with a detailed understanding of where water is consumed, which processes are water-intensive, how efficiently water is being used and where conservation opportunities exist.
A comprehensive water audit should cover:

- Water-source and withdrawal inventory
- Process-wise water consumption
- Utility and cooling-water consumption
- Water-quality assessment
- Effluent-generation assessment
- Water-reuse and recycling opportunities
- Identification of high-consumption processes
- Recommendations for reducing water use
- Corrective actions and follow-up monitoring



Water Performance – Three-Year Disclosure

Water Performance Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Total Water Consumption (kL)	139	712	2,369
Water Recycled / Reused (kL)	0	0	0
Rainwater Harvested (kL)	0	0	0



Air Emissions & Pollution Prevention

(GRI 305-7)

At Royal Pharma, air-emission management forms part of our Environmental, Health and Safety (EHS) approach to responsible pharmaceutical manufacturing. Our operations include the manufacture of advanced intermediates, APIs, NCEs and speciality chemicals, and we manage potential air emissions associated with manufacturing processes, utilities, chemical handling and supporting activities.

Our environmental-management framework is supported by ISO 14001:2015, complemented by ISO 45001:2018 for occupational health and safety. Through this framework, we focus on identifying emission sources, monitoring relevant pollutants, preventing emissions at source, maintaining appropriate controls, meeting applicable requirements and strengthening environmental performance through continual improvement.

Air Emission Source Identification (GRI 305-7)

We identify relevant air-emission sources associated with our pharmaceutical manufacturing processes, utilities and supporting operations. Our assessment considers potential emissions from combustion equipment, manufacturing processes, chemical and solvent handling and other stationary sources.

Our manufacturing infrastructure includes reactors and specialised reaction capabilities such as hydrogenation, halogenation, Heck and Suzuki coupling. Identifying the potential emissions associated with these activities enables us to establish appropriate environmental controls.

Stack Emissions & Pollutant Monitoring (GRI 305-7)

We monitor relevant air-emission parameters based on the characteristics of individual emission sources and applicable regulatory requirements. Our monitoring covers relevant pollutants such as particulate matter (PM), sulphur oxides (SOx), nitrogen oxides (NOx), volatile organic compounds (VOCs) and other applicable parameters.

The monitoring results help us evaluate emission performance, demonstrate compliance and identify areas where preventive or corrective measures are required.

VOC & Process Emission Management (GRI 305-7)

As our manufacturing activities include APIs, advanced intermediates and speciality chemicals, we give attention to potential process emissions and VOC releases associated with chemical and solvent handling.

Our manufacturing infrastructure includes specialised reaction systems and isolation capabilities. The new manufacturing facility incorporates isolation blocks with 0.3-micron HEPA filtration, supporting controlled manufacturing environments.

We manage process-emission risks through appropriate containment, ventilation, filtration, sealing and treatment measures, based on the substances handled and the requirements of individual processes.

Particulate Matter & Dust Control (GRI 305-7)

We manage potential particulate emissions through process controls, appropriate material handling and equipment controls.

For activities where particulate generation is identified, controls such as dust collection, filtration, enclosed material handling and local exhaust ventilation are used, where applicable, to minimise the release of particulate matter into the surrounding environment.

Air Pollution Control & Prevention (GRI 305-7)

We prioritise prevention of air pollution at the point of generation. Our pollution-prevention approach incorporates appropriate operational and engineering controls according to the nature of the emission source.

These controls include, where applicable:

- Exhaust-air treatment and filtration
- Scrubber systems
- Local exhaust ventilation
- Closed or contained chemical-transfer systems
- Appropriate equipment seals and containment
- Process and equipment optimisation
- Dust and particulate-control measures

The control measures applied are aligned with the characteristics of the pollutant, process and applicable environmental requirements.

Combustion Equipment & Utility Emissions (GRI 305-7)

We manage emissions from boilers, DG sets and other applicable combustion equipment through appropriate operating, maintenance and monitoring practices.

Maintaining combustion equipment in proper operating condition supports efficient performance and helps control relevant emissions such as NOx, SOx and particulate matter. Periodic maintenance and emission monitoring also help us identify abnormal operating conditions and take corrective action where required.

Fugitive Emission Prevention (GRI 305-7)

We take measures to minimise potential fugitive emissions arising from chemical storage, transfer, handling and pharmaceutical manufacturing activities. Our controls focus on preventing unintended releases through properly sealed equipment and connections, controlled chemical transfer, appropriate ventilation, equipment inspection and maintenance, leak identification and safe chemical-storage and handling practices. These measures help minimise potential environmental and occupational exposure to chemical vapours.

Odour Management (GRI 305-7)

We manage potential odour-generating sources through appropriate containment, storage and ventilation practices. Where relevant sources are identified, measures such as isolated storage, enclosed process systems, ventilation and odour-treatment or filtration systems are applied according to the characteristics of the activity.

Where odour-control filters or treatment systems are installed, their inspection, maintenance and replacement are maintained as part of effective environmental-control practices.

Noise & Local Environmental Pollution Prevention

Potential noise sources such as DG sets, manufacturing equipment and utility systems are managed through appropriate equipment maintenance and engineering controls. Where required, measures such as silencers, mufflers and acoustic controls are used to minimise noise impacts on employees and surrounding communities. Noise levels are monitored at relevant locations where required to evaluate environmental performance and compliance.

Chemical & Solvent Management (GRI 305-7)

Our manufacturing activities involve advanced intermediates, APIs and speciality chemicals, making responsible chemical and solvent handling an important part of pollution prevention.

We manage chemicals and solvents through controlled storage, transfer, handling, containment, ventilation and safe operating practices to minimise potential releases and environmental or occupational exposure.

Process Optimisation for Pollution Prevention (GRI 305-7)

Our R&D function supports the development of high-quality, scalable and cost-efficient pharmaceutical production routes. Process development focuses on safe and economically viable manufacturing routes while giving attention to minimising effluent generation.

Through R&D and process optimisation, we work towards improving process efficiency, reducing unnecessary inputs and minimising the generation of unwanted emissions and waste.

Ambient Air Quality Monitoring (GRI 305-7)

We monitor ambient air quality around relevant operational areas to evaluate environmental performance and the effectiveness of our emission controls. Monitoring covers relevant parameters such as PM, SOx, NOx, VOCs and other applicable pollutants, based on the requirements of the relevant monitoring programme. Results from ambient monitoring provide a basis for assessing compliance and potential impacts on the surrounding environment.

Air Quality Monitoring Performance

Air Quality Parameter	FY 2023–24	FY 2024–25	FY 2025–26
SOx (µg/m^3)	21	19.70	15.52
NOx (µg/m^3)	25	23.37	18.38
PM10 (µg/m^3)	69	67.03	58.53
PM2.5 (µg/m^3)	33	31.68	28.80

Emergency Response & Abnormal Emissions (GRI 305-7)

Our EHS framework provides a foundation for responding to potential environmental and operational incidents. In the event of an abnormal emission, chemical release or other environmental incident, response activities cover identification, containment, escalation, investigation, corrective action and follow-up monitoring.

These measures support our ability to limit potential environmental impacts and strengthen preparedness for abnormal operating conditions.

Performance Review & Continuous Improvement (GRI 305-7)

We review air-emission monitoring results, environmental assessments, compliance observations, incidents and corrective actions to identify opportunities for improving pollution-prevention controls.

The findings from monitoring and reviews are used to strengthen operational practices, improve emission controls and support continual improvement in environmental performance.

Waste Management & Resource Recovery

(GRI 306)

At Royal Pharma, responsible waste management is integrated into our approach to sustainable pharmaceutical manufacturing and environmental stewardship. Our waste-management practices focus on identifying waste streams at source, segregating and safely handling different types of waste, reducing waste generation through process optimisation, and directing suitable materials towards recovery, recycling, co-processing or authorised disposal.

Our approach is particularly relevant to our API, advanced intermediate, NCE and speciality-chemical manufacturing activities, where responsible management of chemical residues, solvents, process waste, wastewater-treatment residues and other operational waste is essential. Our environmental-management framework is supported by ISO 14001:2015, while our Go-Green initiative supports resource recovery through co-processing of suitable organic residues.



1 Waste Identification & Classification (GRI 306-1)

We identify and classify waste generated across our manufacturing, R&D, laboratory, utility and supporting activities. The waste-management approach considers the characteristics and potential environmental impacts of different waste streams, including hazardous and non-hazardous waste, chemical residues, spent solvents, packaging waste, process residues and wastewater-treatment residues.

This identification enables us to determine appropriate handling, treatment, recovery and disposal routes for individual waste streams.

2 Waste Stream Mapping & Monitoring (GRI 306-2)

We map waste flows from the point of generation through segregation, internal handling, storage, treatment, recovery, recycling or final disposal. This provides visibility of how different waste streams move through our operations and helps us identify opportunities to improve resource efficiency and minimise disposal.

Waste information is monitored across relevant manufacturing and supporting activities to understand the quantity, type, treatment route and final destination of significant waste streams.

3 Waste Segregation at Source (GRI 306-2)

We segregate waste at the point of generation according to its characteristics and intended treatment or disposal route. Appropriate labelled containers and designated storage arrangements are used for applicable waste streams to prevent mixing and facilitate safe handling.

Segregation helps ensure that recyclable and recoverable materials are not unnecessarily directed to disposal and that hazardous waste is managed through appropriate controlled channels.

4 Employee Awareness & Waste Management Training (GRI 306-2)

We strengthen employee awareness of responsible waste management through appropriate workplace instructions, operational procedures and training relevant to waste handling and segregation.

Training and awareness focus on correct identification of waste streams, segregation at source, safe handling, material reuse, recycling and prevention of improper disposal. This supports consistent waste-management practices across our operations.

5 Hazardous Waste Management (GRI 306-2 & GRI 306-5)

Hazardous pharmaceutical and chemical waste is managed through controlled handling, storage, transportation, treatment and authorised disposal arrangements.

Particular attention is given to chemical residues and other hazardous process wastes to minimise the potential for spills, exposure, contamination and environmental impacts. Waste is directed to appropriate authorised channels based on its characteristics and applicable requirements.

6 Solvent & Chemical Waste Management (GRI 306-2 & GRI 306-4)

Our pharmaceutical and speciality-chemical manufacturing activities involve the handling of chemicals and process materials. We therefore manage spent solvents, chemical residues and process-related waste through appropriate recovery, treatment or authorised disposal routes.

Where technically and economically feasible, suitable materials may be directed towards recovery or beneficial use rather than disposal, supporting our broader resource-efficiency objectives.

7 Wastewater-treatment Residues & Sludge (GRI 306-2 & GRI 306-5)

Waste generated through wastewater-treatment activities, including applicable treatment residues and sludge, is managed according to its characteristics and applicable environmental requirements.

Our approach connects waste management with our broader effluent-treatment and Zero Liquid Discharge (ZLD) practices, helping ensure that wastewater-related residues are appropriately controlled.

8 Waste Management & ZLD Integration (GRI 306-2)

Waste and wastewater management are considered together as part of our environmental-management approach. Royal Pharma's ZLD infrastructure supports the controlled management of manufacturing effluent, while waste-management practices address the residues and materials generated through treatment and manufacturing processes.

The Company's newer manufacturing infrastructure incorporates a 50 KLPD ZLD system, with separate treatment of low-COD and high-COD streams.

9 Waste Minimisation at Source (GRI 306-2)

We focus on reducing waste generation at source through process optimisation, improved production routes and efficient use of raw materials.

Our R&D and process-development capabilities support the development of safe, scalable and economically viable manufacturing routes, with attention to minimising effluent generation. These capabilities provide opportunities to reduce waste generation while maintaining product quality and manufacturing performance.

10 R&D & Process Optimisation (GRI 306-2)

Our R&D activities contribute to waste minimisation by supporting the optimisation of pharmaceutical manufacturing processes. Process development considers factors such as process efficiency, scalability, safety, economic viability and waste generation.

By improving manufacturing routes and process conditions, we work towards reducing unnecessary resource consumption and minimising the generation of process waste and effluent.

11 Resource Recovery & Reuse (GRI 306-4)

We seek opportunities to recover and reuse suitable materials and waste streams where technically feasible. This approach helps us reduce dependence on disposal and supports the transition from a disposal-focused approach towards resource recovery and circularity.

Where reusable materials or equipment can safely be used again, such practices can further contribute to reducing internal waste generation.

12 Recycling & Recovery of Materials (GRI 306-4)

Suitable recyclable materials, including applicable packaging and other recoverable waste, are directed through appropriate recycling channels.

Segregation at source supports this process by ensuring recyclable materials remain suitable for recovery and are not contaminated by incompatible waste streams.

13 Go-Green & Co-processing (GRI 306-4)

Royal Pharma participates in a Go-Green environmental initiative through which suitable organic residues are directed towards co-processing. High-calorific-value organic residue is used as fuel in the cement industry, providing a beneficial-use pathway for suitable waste rather than conventional disposal.

This initiative supports resource recovery and contributes to reducing the environmental impact associated with disposal of suitable organic residues.

14 Controlled Waste Storage & Handling (GRI 306-2)

We maintain controlled arrangements for the storage and handling of waste to minimise risks of spills, leakage, contamination and unintended environmental impacts.

Waste is handled according to its characteristics, with appropriate containment, identification and storage practices applied to relevant waste streams before treatment, recovery or authorised disposal.

15 Authorised Waste Treatment & Disposal (GRI 306-5)

Waste requiring treatment or disposal is transferred through appropriate authorised waste-management channels. This approach enables us to maintain control over the movement of significant waste streams and ensure that disposal takes place through appropriate facilities.

For hazardous waste, records relating to waste quantity, category, transporter, receiving facility and disposal or treatment route should be maintained to demonstrate traceability to the final destination.

16 Waste Traceability & Final Disposal (GRI 306-5)

We maintain appropriate documentation to support the traceability of waste from generation to its final treatment, recovery or disposal route.

For applicable hazardous waste streams, traceability can include waste inventories, manifests, authorised-handler documentation, disposal certificates, agreements with waste-management service providers and records of receiving facilities.

This enables us to verify that waste is transferred through authorised channels and managed in accordance with applicable environmental requirements.

17 Waste-related Environmental Risk Management (GRI 306-1 & GRI 306-2)

We assess potential environmental impacts associated with hazardous waste, chemical residues, storage, transportation, treatment and disposal.

Risk controls focus on preventing spills and releases, maintaining appropriate containment, ensuring safe handling and directing waste through appropriate treatment and disposal routes. These controls form part of our broader environmental-management approach.

18 Waste Compliance & Documentation (GRI 306-2 & GRI 306-5)

We maintain relevant records and documentation associated with applicable waste streams. These may include waste inventories, quantities generated, segregation records, manifests, authorisations, transporter details, treatment records and disposal documentation.

Maintaining appropriate documentation supports regulatory compliance, traceability and effective monitoring of waste-management performance.

17 Waste Performance Monitoring (GRI 306-3, 306-4 & 306-5)

We monitor waste generation and management outcomes to understand the performance of our waste-management practices. Key indicators include waste generated, waste recycled, waste recovered, waste co-processed and waste sent for treatment or disposal. Monitoring these indicators helps us identify significant waste streams and opportunities for greater resource recovery and waste reduction.

Waste Management Performance – Three-Year Disclosure (GRI 306-3, GRI 306-4 & GRI 306-5)

Waste Performance Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Total Waste Generated (in Metric Tonnes)	0	0	6.7
Total Hazardous Waste Generation (in Metric Tonnes)	0	0	2.1
Total Non-Hazardous Waste Generation (in Metric Tonnes)	0	0	4.6
Total Waste Recovered in a Year (in Metric Tonnes)	0	0	0
% of Total Waste from Company Operations Diverted from Landfills	0%	0%	0%



Materials & Chemical Stewardship

(GRI 301, GRI 306 & GRI 403)

At Royal Pharma, responsible management of materials and chemicals is integral to our API, advanced intermediate, NCE and speciality-chemical manufacturing activities. Our approach covers the complete lifecycle of process materials—from selection and procurement through storage, handling, use, process optimisation and end-of-use management. We focus on improving material efficiency, reducing the use of hazardous substances where feasible, preventing releases, protecting employees and ensuring that chemical residues and hazardous material waste are managed through appropriate treatment and disposal routes.

Material & Chemical Identification (GRI 301-1)

We identify the raw materials, process chemicals, solvents and other substances used across our API, advanced-intermediate, NCE and speciality-chemical manufacturing activities. Understanding the materials used in individual processes enables us to determine their relevant handling, storage, safety and environmental requirements and establish appropriate controls.

Responsible Material Selection (GRI 301-1 & GRI 306-2)

We consider quality, process suitability, employee safety, regulatory requirements and potential environmental impacts when selecting materials and chemicals for our operations.

Where technically feasible, we evaluate opportunities to use less hazardous or lower-impact process materials and solvents in place of substances presenting greater environmental or occupational risks. Such evaluations are considered within process-development and operational decision-making while maintaining the required pharmaceutical quality and process performance.

Safe Chemical Storage, Handling & Transfer (GRI 306-2 & GRI 403-2)

We maintain controlled practices for the receipt, storage, handling and transfer of chemicals and solvents to minimise the potential for spills, leaks, incompatible chemical interactions and employee exposure.

Chemical handling practices incorporate appropriate containers, labelling, storage conditions, containment arrangements, transfer procedures and operating controls according to the characteristics of the materials involved.

Prevention of Persistent Organic Pollutants (GRI 306-2)

We manage process chemicals in accordance with applicable requirements governing hazardous and environmentally persistent substances. Where substances covered by applicable Persistent Organic Pollutant (POP) requirements are relevant to our operations, their use, handling, storage and transportation are controlled to minimise potential releases.

Any applicable substitution or process modification is considered with the objective of preventing or reducing releases of persistent substances into the environment.

Solvent Management & Efficient Chemical Use (GRI 301-1 & GRI 306-2)

We focus on improving the efficiency of solvent and chemical use within pharmaceutical manufacturing processes. Process optimisation helps reduce unnecessary chemical consumption, material losses and generation of chemical residues.

Our R&D and process-development activities support the evaluation of manufacturing routes that are safe, scalable and economically viable, while also considering resource and waste requirements.

Hazardous Chemical Management (GRI 306-2 & GRI 403-2)

We identify and manage hazardous chemicals according to their chemical properties, hazards, storage requirements, handling precautions and applicable regulatory requirements.

Appropriate controls are applied throughout the chemical lifecycle to reduce the potential for accidental releases, unsafe exposure and environmental impacts.

Controlled Chemical & Solvent Transfer (GRI 306-2)

We use appropriate containment systems, compatible equipment and defined operating procedures during chemical and solvent transfer. These controls are intended to prevent accidental releases and minimise the possibility of leaks or exposure during material movement.

Equipment and transfer arrangements are maintained according to operational requirements to support safe and controlled handling.

Employee Chemical Exposure Prevention (GRI 403-2 & GRI 403-7)

We implement engineering and operational controls to minimise employee exposure to hazardous chemicals during manufacturing and supporting activities.

Controls include appropriate process containment, ventilation, safe operating procedures, personal protective equipment (PPE) and chemical-handling practices, based on the hazards associated with individual materials and activities.

Process Safety & Chemical Risk Assessment (GRI 403-2)

Chemical reactions and pharmaceutical manufacturing activities are assessed for potential process and operational risks. Particular attention is given to hazardous reactions, chemical properties, operating conditions, equipment and process deviations.

The identified risks are addressed through appropriate engineering, procedural and operational controls to support safe and reliable manufacturing.

Safer & Lower-impact Alternatives (GRI 306-2)

We evaluate opportunities to replace hazardous or higher-impact process materials with safer or lower-impact alternatives, where technically feasible and compatible with product-quality and process requirements.

Our R&D and process-development capabilities provide an important platform for evaluating alternative materials, solvents and process conditions before implementation at manufacturing scale.

Where applicable, we also consider eco-friendly or bio-based process materials that can reduce reliance on higher-impact substances while maintaining required process performance.

Raw-material Efficiency & Process Yield (GRI 301-1 & GRI 306-2)

We work to improve raw-material utilisation, process yield and manufacturing efficiency so that fewer materials are required to achieve the desired production output.

Process optimisation helps reduce material losses and supports the Company's objective of minimising waste generation. Improvements in operating parameters, reaction conditions and process routes can contribute to more efficient use of feedstocks, reducing agents, solvents and other process chemicals.

R&D-led Sustainable Process Development (GRI 306-2)

Royal Pharma's R&D and process-development capabilities support the development and optimisation of safe, scalable, economical and efficient manufacturing routes.

Our process-development approach considers the practical requirements of commercial manufacturing while seeking opportunities to reduce resource consumption, material losses, waste and effluent generation. This creates a direct link between R&D innovation and responsible materials management.

Chemical Compatibility & Containment (GRI 306-2 & GRI 403-2)

We maintain appropriate chemical compatibility, containment and storage controls to minimise risks associated with incompatible substances, leaks, spills and accidental releases.

Materials are managed according to their characteristics and handling requirements, with appropriate controls maintained during storage, processing and waste handling.

Spill Prevention & Emergency Response (GRI 306-2 & GRI 403-2)

We maintain measures to prevent and respond to potential chemical spills, leaks and accidental releases. Our response approach focuses on rapid identification, containment, escalation and appropriate corrective action.

Emergency preparedness and response practices support the protection of employees, the environment and surrounding areas in the event of an abnormal chemical-release situation.

Supplier Chemical Information (GRI 308-1 & GRI 403-2)

We obtain relevant information from suppliers regarding the characteristics, hazards, safe-handling requirements and precautions associated with chemicals and process materials supplied to our operations. This information supports appropriate decisions relating to storage, handling, PPE, emergency response and safe use of chemical materials.

Safety Data Sheets & Chemical Safety Information (GRI 403-2)

We maintain access to relevant Safety Data Sheets (SDS) and chemical safety information to support employees in safely handling, storing and using hazardous substances.

The information provides guidance on material hazards, required precautions, exposure controls, first aid, spill response and other emergency measures.

Chemical Regulatory Compliance (GRI 2-27)

We manage chemicals and process materials in accordance with applicable pharmaceutical, environmental, occupational health and safety and chemical-management requirements. Regulatory obligations are considered throughout chemical handling and manufacturing activities, supporting responsible use and management of process materials.

Chemical Residues & Hazardous Material Waste (GRI 306-2 & GRI 306-5)

Chemical residues, spent solvents and other hazardous material waste generated through our operations are segregated, handled, treated, recovered or disposed of through appropriate channels according to their characteristics and applicable requirements.

Where treatment is required, appropriate processes are used to reduce the potential hazards associated with the material before final disposal. Waste requiring external management is transferred through appropriate authorised channels, with relevant documentation maintained to support traceability.

Employee Training & Awareness (GRI 403-5)

We provide relevant employees with training and awareness on the safe management of toxic and hazardous process materials.

Training covers areas such as chemical identification, safe handling and storage, PPE requirements, chemical-transfer procedures, spill response, emergency practices and safe operating procedures. This helps employees apply appropriate controls while working with hazardous substances.

Monitoring, Review & Continuous Improvement (GRI 306-2)

We review material and chemical consumption, process performance, chemical incidents, material losses and waste generation to identify opportunities for safer and more efficient chemical management.

Insights from operational reviews, incidents and process-development activities are used to strengthen controls, improve material efficiency and identify opportunities for safer chemical alternatives, reduced material consumption and lower waste generation.

Through this approach, we continue to strengthen responsible chemical management across the pharmaceutical manufacturing value chain while maintaining our focus on product quality, process safety, employee protection and environmental responsibility.



Sustainable Process Development & Green Chemistry

(GRI 3-3)

At Royal Pharma, sustainability is considered across the pharmaceutical product and process lifecycle—from R&D and process development to manufacturing, customer health and safety, product stewardship and end-of-life considerations. Our approach focuses on developing efficient and responsible manufacturing processes, reducing resource and waste requirements, maintaining product quality and safety, and providing customers with the information needed for safe handling and responsible management of our products.

1 Innovate Responsibly

Sustainable R&D & Process Development (GRI 3-3)
We use our R&D and process-development capabilities to develop and optimise APIs, advanced intermediates, NCEs and speciality chemicals through safe, scalable and efficient manufacturing routes. Sustainability considerations are incorporated into process development by evaluating opportunities to improve process efficiency, reduce resource requirements and minimise waste and effluent generation while maintaining the required standards of quality and performance.

2 Design for Efficiency

Green Chemistry & Resource Optimisation (GRI 306-2)
We incorporate principles of green chemistry and resource efficiency into relevant process-development activities. Our teams work to improve raw-material utilisation, optimise solvent use, improve process yield and identify opportunities to reduce water, energy and chemical requirements. Where technically feasible, we evaluate safer or lower-impact alternatives to hazardous or higher-impact process materials.

3 Manufacture Responsibly

Waste, Effluent & Process Safety (GRI 306-2, GRI 303-2 & GRI 403-2)
Our sustainable process-development approach extends into manufacturing, where we focus on waste prevention, effluent minimisation and safe process operation. Process conditions, chemical hazards and manufacturing risks are considered to support safe and reliable operations. Our approach is complemented by effluent-treatment and ZLD infrastructure and by initiatives that support resource recovery and beneficial utilisation of suitable residues.

4 Protect the Customer

Customer Health & Safety (GRI 416-1 & GRI 416-2)
Customer health and safety is an important element of our product stewardship approach. We assess relevant health and safety considerations associated with our products and maintain quality and regulatory controls throughout the product lifecycle. Where potential product-related hazards or safety considerations are identified, appropriate information is made available to customers to support safe handling, storage and use.

Our approach aims to ensure that product quality, safety and customer requirements remain central to product development and commercial supply.

5 Inform for Safe Use

Product Safety & Composition Information (GRI 416-1)
We provide customers with relevant product information to support safe and responsible use. Depending on the nature of the product, this includes Safety Data Sheets (SDS), product specifications, chemical and physical characteristics, hazard information, handling precautions, storage requirements and applicable safety instructions. These materials enable customers and downstream users to understand relevant health, safety and handling considerations associated with the substances supplied.

6 Close the Loop

Product End-of-Life Management (GRI 416-1)
We recognise that responsible product stewardship extends beyond product manufacture and delivery. Where applicable, we provide information and guidance to support the appropriate handling, return, recovery, recycling or disposal of products and associated materials at the end of their useful life.

Our approach seeks to minimise inappropriate disposal, environmental leakage and unnecessary consumption of virgin resources, while supporting responsible material flows across the product lifecycle.

External Collaboration for End-of-Life Management (GRI 416-1)
Where end-of-life management requires capabilities beyond our direct operations, we collaborate with relevant external stakeholders, authorised waste-management partners, industry initiatives or other qualified organisations, as applicable, to support responsible recovery and treatment pathways. Such collaboration helps strengthen traceability and promotes environmentally sound management of products and associated materials after use.

7 Design Smarter

Packaging Optimisation (GRI 301-1 & GRI 306-2)
We consider opportunities to improve the efficiency of primary packaging used for products by reducing unnecessary material use and simplifying material composition where technically feasible and compatible with product protection, quality and regulatory requirements.

Packaging optimisation can include lightweighting, material reduction and improved recyclability, helping reduce material consumption while maintaining the integrity and safety of the pharmaceutical product.

8 Plan Precisely

Demand & Inventory Management (GRI 306-2)
We use demand planning and inventory-management practices to align production with customer requirements and expected demand. Effective demand estimation helps reduce the risk of unnecessary production, excess inventory and expiry of unused pharmaceutical products.

By aligning manufacturing plans with anticipated requirements, we support more efficient use of raw materials, manufacturing capacity and finished-product resources while reducing avoidable waste.

9 Engage & Educate

Customer Awareness (GRI 416-1)
We support customers with relevant product safety and health information through appropriate communication materials and technical documentation.

Product information helps customers understand potential hazards, safe handling requirements, storage conditions and other precautions relevant to the products supplied. Where appropriate, customer interactions and technical discussions provide an additional channel for addressing product safety questions and responsible-use requirements.

10 Prepare & Respond

Product Safety & Recall Readiness (GRI 416-2)
We maintain processes for responding to potential product-quality or safety concerns. Where a significant product-related health or safety issue is identified, the response process includes assessment of the concern, internal escalation, investigation, customer communication, appropriate containment and corrective action, including product withdrawal or recall where required. This enables us to respond proactively to potential risks such as contamination, specification failures or other conditions that could affect product safety or customer requirements.

10 Anticipate Tomorrow

Emerging Technology Risk Assessment (GRI 416-1)
As pharmaceutical science and manufacturing technologies evolve, we consider potential health and safety implications associated with new or emerging technologies, where relevant to our activities. Before introducing significant new technologies or changing existing processes, relevant risks can be assessed to understand potential impacts on employees, customers, product quality and end users. Where nanotechnology or other emerging technologies are applicable, their potential product-use health and safety implications should be specifically evaluated and documented.

10 Improve Continuously

Product & Process Stewardship (GRI 3-3)
We use insights from R&D, process performance, customer feedback, product-quality reviews, safety assessments and lifecycle considerations to identify opportunities for continuous improvement.

Through this integrated approach, Royal Pharma seeks to connect sustainable process development with responsible product stewardship, ensuring that environmental efficiency, process safety and customer health and safety are considered throughout the product lifecycle.





OUR PEOPLE & RESPONSIBLE WORKFORCE

- Workplace Health, Safety & Well-being.
- Diversity, Equity & Inclusion.
- Employee Development & Career Growth.
- Employee Engagement & Workplace Culture.
- Respecting Human Rights & Promoting Ethical Labour Practices.
- Community Engagement & Social Responsibility.

Workplace Health, Safety & Well-being

(GRI 403)

At Royal Pharma we integrate occupational health, safety and employee well-being into our pharmaceutical manufacturing and supporting operations. Our approach combines hazard identification, risk assessment, process and chemical safety, protective controls, employee training, occupational health, emergency preparedness, incident response and continuous improvement. Our On-Site & Off-Site Emergency Preparedness Plan provides a structured framework for managing emergencies within the facility and situations that could extend beyond the plant boundary, with the objectives of protecting life and property, containing incidents and coordinating with external emergency agencies.



Identify – Hazard Identification & Risk Assessment (GRI 403-2)

We identify and assess workplace hazards associated with chemical handling, hazardous reactions, production activities, equipment, utilities, storage and other operational activities. Our emergency preparedness plan identifies specific explosion, fire and spillage scenarios, including hazards associated with boilers, transformers, air-compressor receivers, flammable petroleum storage, solvent storage, acid and alkali storage and chemical-transfer activities.

Potential causes and consequences are considered so that appropriate preventive and corrective controls can be established. The risk framework is supported by defined emergency responsibilities and response procedures, enabling hazards to be addressed systematically rather than only after an incident occurs.

Prevent & Control – Process, Chemical & Workplace Safety (GRI 403-2)

We apply appropriate engineering, operational and administrative controls to reduce occupational risks arising from our pharmaceutical and chemical manufacturing activities. Particular attention is given to chemical storage, transfer, hazardous reactions, flammable materials, process equipment and emergency isolation.

For chemical-storage incidents, our documented response procedure follows a defined sequence: identify the leak, isolate the area, use appropriate PPE, stop the source where safe, contain the spill, clean up the material and provide first aid where required. The procedure also provides for blocking drains, using absorbent materials and transferring contaminated materials into labelled hazardous-waste containers through authorised disposal arrangements.

This structured approach helps protect employees while reducing the potential for chemical exposure and uncontrolled releases.

Protect Our People – PPE, Occupational Health & Training (GRI 403-3 & GRI 403-5)

We provide appropriate protective measures based on the hazards associated with individual activities. PPE requirements are specifically defined for chemical-response situations and include chemical-resistant gloves, splash goggles, face shields, chemical-resistant suits or aprons and safety footwear. Where gas leakage is involved, the emergency procedure specifies the use of self-contained breathing apparatus (SCBA) by trained responders.

We also strengthen employee capability through safety instructions, emergency-response training and practical exercises covering chemical handling, PPE, spill response, evacuation, fire safety, first aid and emergency procedures. Our emergency plan assigns dedicated Fire Fighting, Rescue and First Aid Teams, with defined responsibilities for each team.

Occupational-health arrangements support employees who may be exposed to chemical, physical or process-related hazards, with appropriate medical response available for workplace emergencies.

Prepare & Respond – Emergency Preparedness (GRI 403-2)

Royal Pharma maintains a formal On-Site & Off-Site Emergency Preparedness Plan covering emergencies that may remain within the factory as well as major incidents that could potentially affect areas outside the facility.

The plan establishes an Emergency Control Centre, Fire Control Room, Communication Control Room, casualty-collection arrangements and an assembly point near the security gate. Emergency communication is supported by defined siren signals for different emergency situations, including local fire emergencies, major emergencies, major environmental hazards and the all-clear signal.

The plan also provides response arrangements for chemical spills, fires and explosions, gas leakage, electrical incidents, medical emergencies, pandemics, natural disasters and extended power loss.

Where an incident may exceed internal response capability, the plan provides for coordination with local fire services, medical facilities, police, MIDC authorities, electricity authorities and neighbouring industries, supporting wider emergency preparedness and mutual assistance.

Prepare Through Practice – Mock Drills (GRI 403-2 & GRI 403-5)

We use mock drills to test the effectiveness of our emergency-response arrangements and employee preparedness. A chemical-spillage mock drill conducted on 24 July 2025 simulated drum leakage in the ETP area.

The exercise demonstrated the practical implementation of our emergency procedures. The simulated incident was identified and reported, the emergency alarm was activated, the affected area was barricaded, the response team was mobilised and appropriate PPE was worn.

The leakage source was identified and isolated, spill-kit materials were deployed, contaminated absorbents were collected into a waste container, nearby employees were evacuated and a headcount was completed at the assembly point.

The drill record states that 37 employees were present, with no persons unaccounted for and no injuries reported. The response assessment recorded 20 seconds for siren activation, 50 seconds for evacuation of non-essential workers and 1 minute 30 seconds for operation of emergency equipment, against the defined response times.

The documented observation report noted quick emergency detection, timely alarm activation, correct spill-kit use, appropriate PPE, effective evacuation, accurate headcount and handling of hazardous waste according to procedure. The drill was concluded successfully, with the simulated spill effectively contained.

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Respond & Learn – Incident and Near-Miss Management (GRI 403-2, GRI 403-9 & GRI 403-10)

We maintain mechanisms for responding to accidents, injuries, chemical incidents, near misses and unsafe conditions. Emergency procedures define immediate notification, escalation, containment and response requirements, while designated emergency personnel coordinate firefighting, rescue and first-aid activities. Our approach also uses mock-drill observations and incident experience to evaluate the effectiveness of existing controls. The July 2026 drill provided evidence that the response sequence—from detection and alarm through containment, evacuation, headcount and restoration of safe conditions—was implemented effectively.

Engage – Employee Participation & Safety Culture (GRI 403-4)

Safety at Royal Pharma involves participation across functions. Employees from production, engineering, warehouse, QC, HR & administration, EHS and security participated in the July 2026 mock-drill exercise, with attendance formally recorded.

Our emergency-response structure further assigns employees to specialised Fire Fighting, Rescue and First Aid Teams, providing clear responsibilities during emergency situations.

These mechanisms encourage employees to understand their responsibilities, participate in emergency exercises and contribute to a stronger workplace safety culture.



Occupational Health & Employee Well-being (GRI 403-3 & GRI 403-6)

We recognise that employee safety extends beyond accident prevention to include occupational health and overall well-being. Our approach focuses on reducing exposure to workplace hazards, maintaining safe operating conditions and ensuring appropriate medical response when required.

For medical emergencies, our emergency procedures provide for notification of the emergency medical team, first-aid response and transfer of serious casualties to an identified hospital. For employees working with chemicals, machinery, noise or other potentially hazardous conditions, appropriate health-monitoring and medical arrangements should be maintained based on the nature and level of occupational exposure.

Monitor – Safety Inspections, Equipment & Performance (GRI 403-1 & GRI 403-2)

We monitor workplace safety through safety inspections, emergency preparedness exercises, equipment-readiness checks, incident and near-miss reporting and management review. Emergency equipment and response arrangements are evaluated during drills to confirm that personnel can respond within defined timeframes.

The July 2026 mock drill specifically assessed siren activation, evacuation and operation of emergency equipment, providing measurable evidence of emergency-response performance. Regular review of these activities enables us to identify gaps, strengthen emergency readiness and maintain the effectiveness of safety controls.

Strengthen – Corrective Action & Continuous Improvement (GRI 403-2)

We use the findings from risk assessments, safety inspections, incidents, emergency exercises and employee feedback to strengthen our occupational health and safety practices. Corrective and preventive measures are incorporated where gaps or improvement opportunities are identified. The July 2026 mock drill demonstrated effective response performance and concluded that the emergency response team acted promptly and the simulated spill was effectively contained. The drill record itself states “No any action plan” under the documented action-plan field; therefore, No specific corrective actions were recorded following this drill. Going forward, continued mock drills, risk reviews, employee training and safety-performance monitoring provide a structured basis for improving workplace safety and employee well-being.

Workplace Safety Performance

Where verified data are available, Royal Pharma can present its occupational health and safety performance through indicators such as:

Safety Performance Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Percentage of operational sites covered with ISO 45001 certification	0	0	0
Work-related Injuries	0	0	0
Lost-Time Injuries	0	0	0
Work-related Ill Health Cases	0	0	0
Employees Trained on Health & Safety	72%	75%	80%
Employees Covered by Health Surveillance	100%	100%	100%
Fatal Incidents	0	0	0

Diversity, Equity & Inclusion

(GRI 405 & GRI 406)

At Royal Pharma, we aim to build a workplace where employees across pharmaceutical manufacturing, R&D, quality, technical, commercial and support functions are treated with dignity, fairness and respect. Our approach focuses on equal opportunity, merit-based employment, gender diversity, fair career development, equitable remuneration, prevention of discrimination and harassment, accessibility, employee voice and continuous improvement.

Attract Fairly

Merit-Based Recruitment (GRI 405-1)

We follow a structured and merit-based approach to recruitment, with selection decisions based on relevant qualifications, skills, experience, role requirements and organisational needs. Our recruitment practices are intended to provide candidates with a fair opportunity to participate in the selection process, without discrimination based on personal characteristics unrelated to the role.

Recruitment and selection practices should be consistently applied to both internal and external candidates, with appropriate HR oversight to support transparency, fairness and equal opportunity.

Include Equitably

Diversity & Equal Opportunity (GRI 405-1 & GRI 406-1)

We promote an inclusive workplace across our manufacturing, R&D, quality, technical and corporate functions. Employment decisions relating to recruitment, allocation of responsibilities, development, promotion and career progression are guided by capability, performance and legitimate business requirements.

We seek to provide equal opportunities irrespective of gender, age, disability, caste, religion, ethnicity, nationality or other protected characteristics, in accordance with applicable requirements.

Grow Without Barriers

Career Development & Promotion (GRI 404-2, 404-3 & 405-1)

We support employees in developing their skills and progressing their careers through learning opportunities, performance discussions, role-based development and career-growth opportunities. Development and promotion decisions are intended to remain merit-based and accessible to employees across functions.

Where internal opportunities arise, transparent communication and consistent assessment help employees understand available career pathways and compete for roles based on performance, capability, experience and role readiness.

Advance Representation

Women's Participation (GRI 405-1)

We recognise the importance of strengthening women's participation across the organisation and creating opportunities for women in technical, professional, managerial and leadership roles.

Our approach includes monitoring workforce representation and identifying opportunities to improve women's participation across functions and levels. Where gaps are identified, appropriate measures such as career development, mentoring, capability building and inclusive workplace practices can support greater representation.

Reward Fairly

Equitable Remuneration (GRI 405-2)

We seek to maintain fair and transparent remuneration practices, with compensation determined by factors such as role responsibilities, qualifications, experience, performance, skills and applicable market considerations.

To strengthen pay equity, remuneration data can be periodically reviewed across comparable employee categories and gender groups to identify potential disparities and understand the factors contributing to differences. Where an unjustified disparity is identified, appropriate corrective measures can be considered.

Protect Dignity

Non-Discrimination & Harassment Prevention (GRI 406-1)

We are committed to maintaining a workplace free from discrimination, harassment, intimidation and inappropriate conduct. Employees are expected to treat colleagues with dignity and respect, while concerns relating to discriminatory or harassing behaviour are addressed through established organisational processes.

Specific measures for prevention and oversight may include workplace conduct requirements, awareness programmes, designated responsible personnel/committees, review of reported cases and appropriate corrective action.

Where a concern is substantiated, the response should be proportionate to the nature and severity of the violation.

Remedy Responsibly

Addressing Discrimination & Harassment (GRI 2-25 & GRI 406-1)

Where discrimination or harassment causes harm, Royal Pharma's response should focus not only on addressing the reported concern but also on providing an appropriate remedy to affected individuals.

The remediation process follows a clear principle:

Concern Identified → **Assessment & Investigation** → **Proportionate Response** → **Corrective / Remedial Action** → **Communicati on & Closure** → **Effectiveness Monitoring**

The response may include appropriate corrective action, disciplinary measures, workplace adjustments, counselling or other remedial measures, depending on the circumstances. Follow-up helps assess whether the remedy has been effective and whether additional measures are required.

Listen & Resolve

Accessible Grievance Mechanism (GRI 2-25 & GRI 2-26)

Employees should have accessible channels to raise concerns relating to discrimination, harassment, unfair treatment or other workplace concerns.

The grievance mechanism should be communicated through appropriate employee channels and designed around three core principles:

Accessibility

Employees should know how and where to raise concerns, including appropriate support for individuals who may face communication or accessibility barriers.

Confidentiality

Information concerning the complainant and investigation should be protected and shared only with authorised persons on a need-to-know basis.

Non-retaliation

Employees raising concerns in good faith should be protected from retaliation or adverse treatment.

Concerns are reviewed through an appropriate investigation and escalation process, with outcomes and corrective actions documented where required.

Enable Everyone

Accessibility & Inclusion (GRI 405-1)

We seek to provide an inclusive workplace where employees with disabilities or specific workplace needs can perform their responsibilities effectively. Where required, reasonable workplace support may include accessible infrastructure, suitable work arrangements, appropriate equipment, communication support and role-specific assistance.

Accessibility considerations should extend beyond physical infrastructure to ensure that employees can participate meaningfully in training, communication, career development and grievance processes.

Build Awareness

Inclusive Workplace Culture (GRI 404-2 & GRI 406-1)

We build awareness around respectful workplace behaviour, equal opportunity, non-discrimination, prevention of harassment and inclusive practices. Training and communication can be integrated into employee induction and ongoing capability development.

Relevant awareness areas include:

- **Equal opportunity and fair treatment**
- **Respectful workplace behaviour**
- **Prevention of discrimination and harassment**
- **Inclusive recruitment and selection**
- **Unconscious-bias awareness**
- **Inclusive leadership**
- **Supporting employees with disabilities**
- **Appropriate reporting and escalation of concerns**

Training coverage and participation should be tracked through HR learning records.

Listen, Measure & Improve

DEI Performance (GRI 405-1 & 406-1)

We monitor workforce and employee-related indicators to understand how effectively our DEI principles are reflected across the organisation. Relevant indicators may include total workforce, women employees, women in management, workforce by age group, recruitment and promotion by gender, training participation, employee concerns and discrimination or harassment cases.

Employee feedback through engagement surveys, HR discussions, grievance channels and other employee forums can provide additional insight into workplace experience. The resulting information supports management in identifying gaps and strengthening recruitment, development, accessibility, employee support and inclusive workplace practices.

DEI Performance Indicators

Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Total Employees	3	5	27
Women Employees (%)	0%	2%	4.3%
Women on Board	50%	50%	50%
Minority/Vulnerable Groups in Workforce	18%	20%	51.85%
Employees Trained on Gender Equality	100%	100%	100%
Employees Covered by DEI / Respectful Workplace Training	100%	100%	80%
Discrimination / Harassment Concerns Reported	0	0	0
Concerns Resolved	0	0	0
Workforce Trained on Diversity & Anti-Harassment	100%	100%	80%



Employee Development & Career Growth

(GRI 404)

At Royal Pharma, we recognise that our continued growth as a pharmaceutical organisation depends on the knowledge, skills and commitment of our people. Across API and advanced intermediate manufacturing, R&D, process development, quality, laboratories, engineering, regulatory and support functions, we invest in building capabilities that enable our employees to perform effectively today and prepare for the opportunities and responsibilities of tomorrow.

Our approach brings together role-based learning, technical and GMP capability building, regular performance and career discussions, leadership development, internal mobility, knowledge sharing and continuous improvement of learning programmes.

Building Skills for Every Role (GRI 404-2)

At Royal Pharma, we provide employees with role-based technical, functional and professional learning opportunities aligned with their responsibilities and development needs. Our learning approach supports employees working across manufacturing, R&D, process development, quality assurance, quality control, laboratories, engineering and other support functions.

Training is delivered through appropriate methods such as classroom sessions, practical learning, on-the-job training, technical guidance and knowledge-sharing programmes. By connecting learning with the actual requirements of each role, we help employees strengthen both their current capabilities and their readiness for future responsibilities.

Strengthening Pharmaceutical & Technical Expertise (GRI 404-2)

The pharmaceutical industry requires a workforce with strong technical knowledge and a clear understanding of quality and regulatory requirements. At Royal Pharma, we strengthen employee capabilities through learning related to GMP, quality systems, regulatory requirements, manufacturing processes, laboratory practices, chemical handling, safety and other role-specific technical areas.

Our training needs evolve alongside changes in processes, technologies, operational practices and regulatory expectations. This helps our people remain informed and capable of contributing effectively to reliable, quality-focused pharmaceutical operations.

Growing Through Performance & Career Conversations (GRI 404-3)

We believe that career growth is strengthened through meaningful dialogue between employees and their managers. Through regular performance and development discussions, employees receive feedback on their achievements, strengths and areas where further development can support their growth.

These conversations also provide an opportunity to discuss career interests and possible development pathways.

Managers and employees can identify practical actions to build on existing strengths, address development needs and prepare for future opportunities.

These actions may include additional training, mentoring, broader responsibilities or cross-functional exposure. Through this approach, we connect individual development with the evolving capability requirements of Royal Pharma.

Recognising Performance & Supporting Improvement (GRI 404-3)

We conduct periodic performance reviews to provide employees with structured feedback on their work and development. Our review process considers relevant qualitative and quantitative aspects of performance, depending on the nature of the employee's role and responsibilities. Performance discussions help us recognise achievements, identify areas for improvement and provide employees with appropriate guidance and development support.

The outcomes also help identify training needs, capability gaps and opportunities for expanded responsibilities and career progression.

By maintaining a regular performance-review process, we create a stronger connection between employee performance, development and future growth.

Developing Future Leaders (GRI 404-2)

As Royal Pharma strengthens its pharmaceutical and operational capabilities, we recognise the importance of developing employees who can take on future leadership responsibilities. We support capability development in areas such as decision-making, communication, technical understanding, team management and people-management skills.

Employees demonstrating potential for broader responsibilities can gain development opportunities through mentoring, increased responsibilities, cross-functional exposure and targeted learning. This helps us build a stronger pipeline of future leaders while supporting continuity across important technical and operational roles.

Building Specialised Pharmaceutical Capabilities (GRI 404-2)

Our operations require specialised knowledge across the pharmaceutical value chain. We therefore focus on developing capabilities relevant to API and advanced intermediate manufacturing, process development, R&D, scale-up activities, quality assurance, quality control and laboratory operations.

We combine structured learning with practical experience and on-the-job knowledge sharing to strengthen technical understanding. This enables our employees to develop the capabilities required to support consistent processes, quality-focused operations and continuous improvement.

Encouraging Continuous Learning (GRI 404-2)

At Royal Pharma, learning continues beyond initial training. We encourage employees to update their knowledge and skills in response to developments in science, technology, manufacturing practices, regulatory requirements and business operations.

By periodically reviewing capability requirements, we identify areas where additional learning and skill development are required. This enables our workforce to remain responsive to changing operational needs and supports a culture of continuous professional growth.

Creating Opportunities Through Internal Mobility (GRI 404-3)

We recognise that career development can take different forms and is not limited to vertical promotion. Where employee capabilities and business requirements align, we create opportunities for employees to gain broader experience and develop new skills through internal movement.

Our approach to internal mobility can include:

- Vertical mobility, through progression to roles with greater responsibility;
- Horizontal mobility, through movement between functions or departments;
- Transversal mobility, through cross-functional roles and cross-skilling opportunities; and
- Geographical mobility, where opportunities arise across Royal Pharma's locations.

By providing opportunities for employees to take on new responsibilities and gain exposure across functions, we support both individual career development and the retention of organisational knowledge and talent.

Ensuring Fair Access to Development (GRI 404-2 & GRI 405-1)

We promote fair access to training, development and career opportunities across our workforce. Learning opportunities are aligned with role requirements, capability needs and organisational priorities, helping employees access relevant support for their professional development.

Our approach to development and progression is guided by merit, performance, capability and role requirements, supporting an inclusive environment where employees have opportunities to grow and contribute.

Learning From Each Other (GRI 404-2)

In specialised pharmaceutical operations, experience and practical knowledge are valuable assets. We encourage knowledge transfer between experienced employees, technical specialists and newer team members through collaboration, mentoring, practical guidance and on-the-job learning.

This exchange of knowledge helps newer employees build confidence and technical capability while enabling Royal Pharma to retain and transfer important operational and process knowledge across teams.

Developing Talent for the Future (GRI 404-2)

We identify and develop employee capabilities to support continuity in critical technical, operational and leadership roles. Performance information, capability assessments and development discussions help us understand where employees may be ready for broader responsibilities.

Through targeted learning, mentoring and practical experience, we support the development of talent that can contribute to Royal Pharma's future operational and organisational requirements.

Measuring Learning & Development (GRI 404-2)

We monitor training participation and relevant learning information to understand whether our development initiatives are reaching the employees and functions for which they are intended. Training records and employee participation help us identify coverage, capability requirements and areas where additional learning may be required.

Feedback from employees and managers, together with operational requirements, helps us strengthen training content and improve the effectiveness of future learning programmes

Listening to Employees (GRI 404-3)

Employee feedback is an important part of our development approach. Through performance discussions, manager interactions and development conversations, employees can share their career interests, development needs and aspirations. We use these insights to better understand individual and organisational capability requirements and strengthen our learning and development initiatives accordingly.

Continuous Improvement in Development (GRI 404-2)

We periodically review our learning and development programmes to ensure they remain aligned with changes in pharmaceutical technology, manufacturing practices, regulatory expectations and workforce requirements. By bringing together insights from training participation, performance reviews, employee feedback and evolving business needs, we continue to improve our approach to employee development. Through this ongoing journey, we aim to create an environment where our people can learn continuously, strengthen their capabilities, explore new opportunities and build meaningful careers alongside the growth of Royal Pharma.

Employee Development Performance Indicators

Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Total Training Hours	60	120	675
Average Training Hours per Employee	20	24	25
Employees Covered by Role-Based Training	100%	100%	100%
Employees Trained on Career Management	100%	100%	100%
Employees Receiving Regular Performance Reviews (%)	100%	100%	100%
Employees Participating in Career Development Discussions	100%	100%	100%
Career Management Awareness Sessions	0	0	2
Attrition Ratio	0%	0%	12.9%



Employee Engagement & Workplace Culture

GRI 2-29 | GRI 2-25 | GRI 2-26 | GRI 403-6

At Royal Pharma, we recognise that a strong workplace culture is built through continuous dialogue, mutual respect, employee participation and a supportive work environment. Across our pharmaceutical manufacturing, quality, R&D, technical and support functions, we seek to create opportunities for employees to share feedback, participate in improvement initiatives and contribute to a workplace characterised by integrity, collaboration, teamwork and professional respect. Our approach to employee engagement brings together employee listening, management communication, recognition, well-being, work-life support and continuous improvement, helping us understand employee expectations and strengthen the overall employee experience.

Listening to Our Employees (GRI 2-29)

We use employee feedback and engagement discussions to better understand workplace morale, satisfaction and employee experience. Feedback may be gathered through employee surveys, feedback mechanisms, discussions with managers, engagement meetings and other listening initiatives across our operations.

These mechanisms enable employees to share their perspectives on relevant workplace matters, including the work environment, communication, health and safety, working practices, development opportunities and access to employee-support mechanisms. We aim to provide employees with opportunities to communicate feedback openly and without fear of unfair treatment.

Where confidential or independently administered employee-feedback mechanisms are used, these can further strengthen employee voice by enabling workers to provide feedback through accessible channels while protecting respondent confidentiality. Insights generated through employee listening are reviewed to identify areas requiring attention and improvement.

Strengthening Management–Employee Dialogue (GRI 2-29)

We promote regular communication between management and employees through meetings, team discussions, employee interactions, engagement sessions and open communication practices. These interactions help communicate organisational priorities, operational developments and workplace expectations while also creating opportunities for employees to raise questions and share suggestions. Our approach encourages managers and employees to maintain constructive two-way dialogue. By strengthening communication across manufacturing, R&D, quality, engineering and support functions, we seek to build greater organisational alignment, trust and employee involvement. An open-door culture supports employees in approaching appropriate managers or functions regarding workplace matters, ideas and concerns.

Employee Participation & Workplace Improvement (GRI 2-29)

At Royal Pharma, employee engagement extends beyond communication. We encourage employees to contribute their operational knowledge and experience to workplace improvement, problem-solving and team-based initiatives.

Employees may participate in relevant:

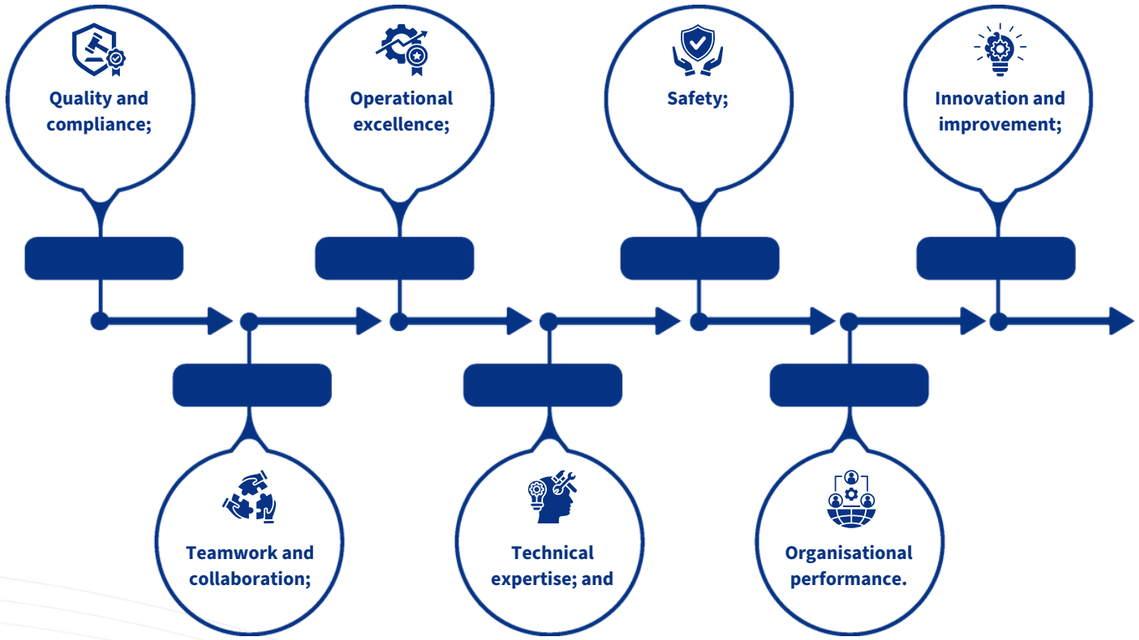
- Operational and process-improvement initiatives;
- Safety discussions and workplace committees;
- Knowledge-sharing initiatives; and
- Quality and continuous-improvement activities;
- Cross-functional problem-solving;
- Team meetings and improvement discussions.

This participation is particularly valuable in pharmaceutical operations, where employees working directly with manufacturing processes, quality systems and technical activities can provide practical insights into improving workplace practices and operational effectiveness.

Building a Culture of Respect & Collaboration (GRI 2-23 | GRI 2-29)

We seek to maintain a workplace culture founded on respect, integrity, accountability, collaboration and teamwork. Our employees work across diverse functions, and effective coordination between manufacturing, quality, R&D, engineering, regulatory and support teams is essential to achieving consistent operational and quality performance.

We promote professional and respectful interactions and expect employees to conduct themselves in a manner that supports dignity and fairness in the workplace. Collaboration and knowledge sharing help strengthen relationships across functions while supporting effective problem-solving and organisational learning.



Recognition reinforces positive behaviours and helps create an environment in which employees feel that their efforts and achievements are valued.

Supporting Employee Well-being (GRI 403-6)

Employee engagement is closely linked with physical, mental and social well-being. Royal Pharma seeks to provide a safe and supportive working environment across manufacturing operations, laboratories, offices and other work locations.

Our employee-support approach includes appropriate workplace practices and health-support arrangements available to employees in accordance with Company policies and applicable requirements. Where healthcare benefits or insurance arrangements are provided, these support employees and, where applicable, their eligible dependants in accessing medical care.

We also recognise the importance of supporting employees in balancing professional and personal responsibilities. Leave arrangements and other employee-support provisions are implemented in accordance with applicable laws and Company policies, including provisions relevant to parental and family-care responsibilities.

Work-Life Balance & Working Hours (GRI 2-29 | GRI 2-30)

Royal Pharma recognises that responsible management of working hours is important to employee well-being. Working hours and attendance are managed through applicable operational and administrative systems, enabling the Company to monitor attendance patterns and identify instances requiring review.

The monitoring of working hours supports identification of:

- **Extended or irregular working hours;**
- **Overtime requirements;**
- **Workforce scheduling needs; and**
- **Opportunities to maintain appropriate work practices.**

Where employees perform authorised overtime or work beyond contractual working hours, compensation and related benefits are managed in accordance with applicable legal requirements and Company policies. Depending on role requirements and operational feasibility, appropriate flexibility in work arrangements may be considered while ensuring continuity of pharmaceutical manufacturing, quality and other business-critical activities.

Employee Voice & Workplace Concerns (GRI 2-25 | GRI 2-26)

We recognise the importance of providing employees with channels to raise workplace concerns, seek guidance and communicate issues requiring attention. Employees can raise relevant concerns through established internal reporting and management channels.

Our approach to employee voice seeks to support:

- Accessibility – employees are informed about available channels for raising workplace concerns;
- Confidentiality – concerns are handled with appropriate sensitivity;
- Non-retaliation – employees raising concerns in good faith should not face retaliation; and
- Appropriate response – reported matters are reviewed and addressed through relevant processes.

These channels complement Royal Pharma's broader approach to workplace ethics, employee relations and responsible business conduct.

Monitoring Employee Experience (GRI 2-29)

We review relevant workforce and employee-engagement indicators to understand the employee experience and identify opportunities for improvement. Depending on data availability and reporting requirements, this may include review of:

- Employee feedback and engagement;
- Participation in engagement initiatives;
- Employee turnover;
- Workplace concerns and recurring themes;
- Training and development participation;
- Absenteeism and workforce trends; and
- Other relevant employee indicators.

We also recognise the importance of periodically reviewing compensation practices and wage adequacy. Relevant remuneration practices may be assessed against applicable statutory requirements, market conditions and other relevant external or internal benchmarks to support fair and responsible employment practices.

Cross-Functional Collaboration & Knowledge Sharing (GRI 2-29)

Royal Pharma's operations require close collaboration between technical and business functions. We encourage cross-functional interaction and knowledge sharing among teams involved in manufacturing, R&D, quality, engineering, regulatory affairs and support operations. Collaboration enables employees to share technical knowledge, operational experience and improvement opportunities. Team-based working also supports problem-solving and helps strengthen organisational capability across different stages of pharmaceutical development and manufacturing.

Building Connection Through Employee Participation (GRI 2-29)

Employee participation initiatives, including appropriate cultural events, celebrations, team-building activities and employee-engagement programmes, contribute to workplace connection and organisational culture. These initiatives provide opportunities for employees to interact beyond their immediate work responsibilities, strengthen relationships and promote a sense of belonging. Employee participation also supports a collaborative environment across functions and levels of the organisation.

Continuous Improvement Through Employee Insights (GRI 2-29)

Employee feedback is an important source of insight for improving workplace practices. We use feedback from employee discussions, engagement mechanisms, workplace interactions and relevant employee indicators to identify opportunities for improvement.

Employee Engagement & Workplace Culture – Key Performance Indicators

Working Conditions	FY 2023–24	FY 2024–25	FY 2025–26
Average Training Hours per Employee	20	24	25
Total Hours Worked (Man-hours)	6,936	11,560	62,424



Respecting Human Rights & Promoting Ethical Labour Practices

At Royal Pharma, our approach to human rights begins with the way we manage our people. Across pharmaceutical manufacturing, R&D, laboratories, quality functions and supporting teams, we seek to maintain employment practices that promote dignity, fairness, respect and responsible conduct. Our Ethical Employment Policy and related workplace practices support this approach by guiding responsible recruitment, fair working conditions, prevention of child and forced labour, respectful workplace behaviour and appropriate mechanisms for raising and addressing concerns.

Embedding Responsible Employment Practices (GRI 2-23, GRI 2-24)

At Royal Pharma, responsible employment is reflected throughout the employee lifecycle. We seek to maintain fair and lawful practices from recruitment and onboarding through employment, professional development and career progression. Our Ethical Employment Policy reinforces the importance of employment decisions based on relevant qualifications, experience, capability and role requirements, helping promote transparent and merit-based recruitment while preventing discriminatory or unethical employment practices. Employment conditions are managed in accordance with applicable laws, statutory requirements and employment terms.

Identifying Human Rights & Ethical Labour Risks (GRI 2-24, GRI 408-1, GRI 409-1)

Royal Pharma recognises that preventing adverse human-rights impacts requires early identification and assessment of potential risks. Our approach considers risks relating to child labour, forced or involuntary labour, discrimination, harassment, unfair employment practices, working conditions and other matters that may affect employee rights and well-being. Workplace assessments, employee feedback, reported concerns and management reviews help us understand the nature and significance of identified issues and determine whether preventive or corrective measures are required.

Human Rights Indicator	FY 2023–24	FY 2024–25	FY 2025–26
External Stakeholder Human Rights Impact Reporting Compliance Count (%)	100%	100%	100%
Child Labour (%)	0%	0%	0%
Forced Labour (%)	0%	0%	0%
Human Trafficking (%)	0%	0%	0%
Operational Sites Assessed for Human Rights Risks (%)	100%	100%	100%

Preventing Child Labour & Protecting Young Workers (GRI 408-1)

Royal Pharma is committed to preventing child labour across its operations. Responsible recruitment practices include age and employment eligibility verification to support compliance with applicable minimum-age requirements and prevent the employment of underage workers. Where young workers are legally permitted to be employed, their health, safety and development are given additional consideration through appropriate orientation, safety instructions, supervision and restrictions on hazardous work. Applicable requirements relating to working hours, rest periods, overtime and night work are also considered to provide an appropriate and protected working environment.

Ensuring Employment is Freely Chosen (GRI 409-1)

Royal Pharma does not support forced, bonded, trafficked or involuntary labour. Employment is expected to be based on free and informed choice, and we seek to prevent recruitment or employment practices that could expose workers to coercion or exploitation. Concerns relating to forced labour, human trafficking or other serious ethical labour issues can be raised through available reporting channels for appropriate review and action.

Supporting Fair Working Conditions (GRI 2-23, GRI 2-30)

Responsible employment extends beyond recruitment to the conditions experienced throughout employment. Royal Pharma manages key aspects of employment, including working hours, rest periods, overtime, remuneration and applicable employee benefits, in accordance with relevant legal and employment requirements. Working-hour practices are reviewed to support compliance and identify potential instances of excessive or irregular working hours. Where overtime is required, applicable requirements relating to working arrangements and compensation are expected to be followed. We also recognise applicable rights relating to freedom of association and collective representation.

Promoting Dignity, Respect & Fair Treatment (GRI 406-1)

Our Ethical Employment Policy supports a workplace culture in which employees are treated with dignity, respect and fairness. Discrimination, harassment, abuse and inappropriate conduct are not accepted. This commitment extends across recruitment, training, professional development, performance management and career progression. By promoting respectful interactions and professional conduct across teams and functions, we seek to maintain a workplace founded on fairness, inclusion and mutual respect.

Providing a Voice & Raising Concerns (GRI 2-26)

Listening to employees is an important part of maintaining a responsible workplace. Royal Pharma provides appropriate channels through which employees and relevant stakeholders can raise concerns relating to workplace conduct, unfair treatment, discrimination, harassment, child labour, forced labour and other potential human-rights issues. Our grievance approach is guided by accessibility, confidentiality and non-retaliation, helping ensure that concerns raised in good faith can be communicated without fear of retaliation and handled with appropriate confidentiality.

Responding to Concerns & Providing Remediation (GRI 2-25)

Where a concern is raised, Royal Pharma seeks to ensure that it is reviewed according to its nature and seriousness. Reported matters may be assessed or investigated to understand the circumstances and determine appropriate actions. Where an adverse human-rights or ethical labour impact is identified, corrective or remedial measures are considered based on the principle of proportionality. Appropriate communication is maintained with relevant stakeholders while respecting confidentiality, and corrective actions are monitored to assess their effectiveness and reduce the possibility of recurrence.

Extending Ethical Labour Expectations Across Business Relationships (GRI 2-23, GRI 408-1, GRI 409-1)

Royal Pharma's commitment to ethical employment also extends to relevant contractors, service providers and other third parties supporting our operations. We seek to communicate expectations relating to responsible workplace practices, ethical conduct and labour standards and consider human-rights and ethical labour expectations during relevant supplier and business-partner engagements. This approach supports greater awareness of responsible employment practices beyond our direct workforce.

Building Awareness & Accountability (GRI 2-24)

Awareness and understanding are important to preventing human-rights concerns. Royal Pharma seeks to strengthen employee and management awareness through relevant training, communication and workplace engagement. These initiatives can cover child labour, forced labour and human trafficking, employee rights, respectful workplace behaviour, grievance mechanisms and responsible conduct, helping employees and managers recognise potential concerns and understand their responsibilities.

Monitoring Practices & Driving Improvement (GRI 2-24, GRI 2-25)

Our approach to ethical employment and human rights is supported by periodic review and continuous improvement. Workplace assessments, employee feedback, grievance trends, internal reviews, audits, incident investigations and management discussions provide insights into the effectiveness of existing practices and controls. Where gaps or opportunities for improvement are identified, preventive measures and corrective actions are strengthened to support a workplace built on dignity, fairness, respect and accountability.

Community Engagement & Social Responsibility

GRI 413

Royal Pharma recognises that responsible pharmaceutical manufacturing extends beyond its facilities and business operations. As a manufacturer of advanced intermediates, APIs, NCEs, speciality chemicals and CDMO/CMO solutions, the Company seeks to create value for stakeholders while maintaining a strong focus on safety, sustainability, integrity and long-term partnerships. Royal Pharma's approach to responsible business is supported by stakeholder engagement and its broader commitment to improving global health through sustainability, innovation and reliability.

Community Engagement & Partnerships (GRI 413-1)

Royal Pharma recognises the importance of engaging with relevant stakeholders and communities connected with its operations. Engagement with appropriate stakeholders, beneficiaries and implementation partners can help the Company better understand local priorities and support the effective planning and delivery of community and social-development initiatives.

Where community programmes are undertaken, Royal Pharma seeks to align initiatives with identified needs and collaborate with appropriate organisations to strengthen programme implementation and reach. This approach is consistent with the Company's broader emphasis on stakeholder engagement, responsible operations and long-term partnerships.

Community Feedback & Stakeholder Concerns (GRI 2-25, 2-26, 413-1)

Community and stakeholder feedback forms an important part of responsible engagement. Royal Pharma maintains communication channels through which external stakeholders can connect with the Company regarding relevant queries, concerns or feedback. The Company's public contact platform also provides stakeholders with an avenue to reach Royal Pharma for inquiries and support.
responsible operations.

Where relevant concerns relating to Company activities or potential community impacts are identified, they can be reviewed through appropriate stakeholder-engagement and internal response processes. Feedback and concerns can help Royal Pharma identify areas requiring attention and strengthen its approach to responsible operations.

Community Well-being & Social Development (GRI 413-1)

Given Royal Pharma's role in the pharmaceutical sector and its commitment to improving global health, community initiatives may focus on areas where the Company can contribute meaningfully to social well-being. These may include health awareness, preventive healthcare, education, skill development and other community-development priorities, depending on identified needs and applicable CSR plans.

Through appropriately designed initiatives and partnerships, Royal Pharma aims to support positive social outcomes while ensuring that community programmes are implemented responsibly and in accordance with applicable requirements.

Monitoring Community Impact (GRI 413-1)

Royal Pharma seeks to understand the reach and effectiveness of its community and social-responsibility initiatives through appropriate monitoring and review. Depending on the nature of programmes implemented, relevant indicators may include CSR expenditure, programmes undertaken, communities covered, beneficiaries reached, healthcare and awareness initiatives, and education or skill-development activities.

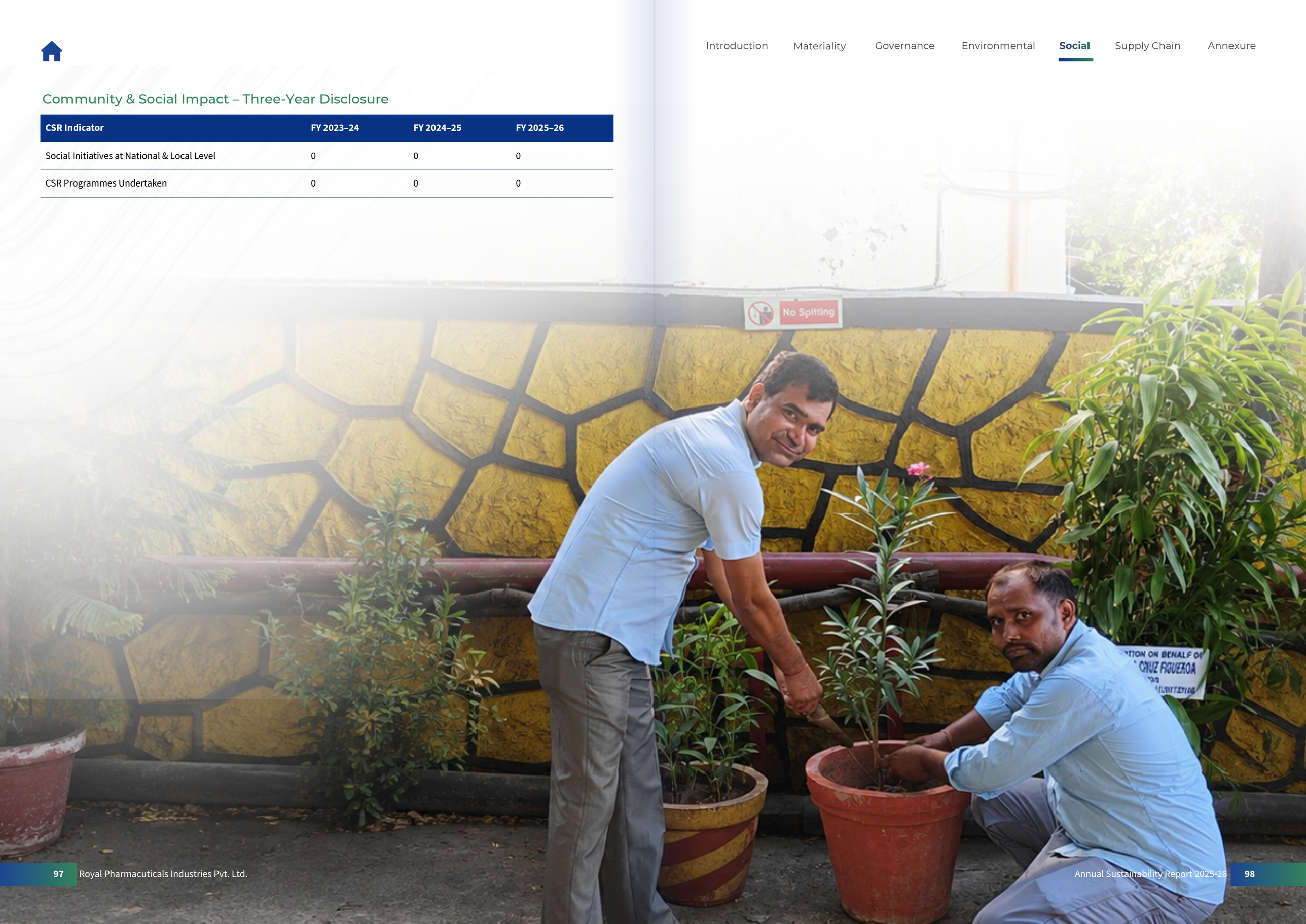
Creating Long-Term Community Value (GRI 413-1, 413-2)

Royal Pharma's approach to community engagement follows a continuous cycle of understanding stakeholder needs, identifying relevant priorities, implementing appropriate initiatives, engaging with stakeholders and reviewing outcomes. Monitoring programme performance and considering stakeholder feedback can help strengthen future initiatives and improve their relevance and effectiveness.

Where significant actual or potential adverse impacts on local communities are identified in connection with Company operations, Royal Pharma can consider appropriate assessment, stakeholder engagement and mitigation measures. This approach supports responsible pharmaceutical manufacturing and is aligned with the Company's broader commitment to safety, sustainability and responsible business practices.

Community & Social Impact – Three-Year Disclosure

CSR Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Social Initiatives at National & Local Level	0	0	0
CSR Programmes Undertaken	0	0	0





RESPONSIBLE SOURCING & SUPPLY CHAIN

- Responsible Procurement & Sustainable Supply.
- Supply Chain Reliability & Risk Management.

Responsible Procurement & Sustainable Supply

(GRI 2 | GRI 204 | GRI 308 | GRI 414)

At Royal Pharma, responsible procurement supports both pharmaceutical quality and the long-term resilience of our supply chain. Our approach integrates quality, regulatory, operational, environmental, social and ethical considerations into relevant supplier-management activities. Through supplier selection, due diligence, assessment, engagement, performance monitoring and improvement actions, we seek to build responsible relationships with suppliers of raw materials, chemicals, solvents, packaging materials and other critical inputs.

Responsible Supplier Selection (GRI 204-1)

Responsible procurement begins with selecting suppliers capable of meeting the quality, safety, regulatory and operational requirements associated with pharmaceutical manufacturing. In line with Royal Pharma's sustainable supplier expectations, supplier selection also considers relevant environmental, social, ethical and compliance factors alongside commercial and technical requirements.

Suppliers are evaluated through appropriate qualification processes that consider quality capability, reliability, technical suitability, regulatory compliance and responsible business practices.

Our sourcing approach is intended to support fair, transparent and inclusive supplier engagement. Capable suppliers are considered against defined requirements without discrimination, while local or regional suppliers may be evaluated where they can meet the Company's applicable quality, technical, safety and regulatory expectations.

Supplier Qualification & Responsible Due Diligence GRI 308-1 | GRI 414-1

Before engaging suppliers, particularly those providing critical materials and services, Royal Pharma undertakes appropriate qualification and due-diligence activities.

These processes help us understand supplier capability and identify potential quality, regulatory, environmental, social, labour, human-rights and compliance risks associated with the relationship.

Depending on the nature and criticality of the supplier, the assessment process may include supplier questionnaires, self-assessments, documentation reviews, quality evaluations and compliance assessments.

The level of review may be aligned with the nature and risk profile of the supplier relationship, enabling higher-risk suppliers or sourcing categories to receive additional attention where appropriate.

This approach helps identify potential risks at an early stage and supports informed supplier-management decisions.

Quality, Safety & Traceability Across the Supply Chain (GRI 2-6)

The quality of pharmaceutical products begins with the quality of materials entering our operations. Royal Pharma therefore seeks to maintain appropriate documentation and traceability for critical raw materials and other relevant inputs across the supply chain.

Relevant suppliers are expected to provide applicable material specifications, quality documentation and safety information to support appropriate evaluation, handling and use throughout the manufacturing process.

This approach contributes to stronger supply-chain visibility while supporting applicable pharmaceutical quality, GMP and regulatory requirements.

Setting Clear Expectations for Responsible Business GRI 2-23 | GRI 2-24

Royal Pharma recognises that responsible sourcing requires clear and consistent expectations throughout the supply chain.

Our sustainable supplier expectations communicate the importance of compliance with applicable laws and regulations, ethical business conduct, labour practices, human rights, workplace health and safety, environmental responsibility and relevant pharmaceutical quality requirements.

These expectations may be communicated through the Supplier Code of Conduct, supplier agreements, contractual provisions and other supplier-engagement mechanisms.

Where appropriate, environmental, labour, human-rights and responsible-business requirements may be incorporated into supplier contracts, establishing clear expectations and supporting appropriate action where significant breaches or non-compliance are identified.

Promoting Fair & Respectful Supplier Workplaces GRI 414-1

Royal Pharma expects relevant suppliers to maintain workplaces that respect human dignity and support fair treatment. Our responsible sourcing expectations include attention to discrimination, harassment, child labour, forced labour and other inappropriate or unethical workplace practices.

Supplier engagement and assessment processes may consider whether appropriate workplace measures are in place to promote fair treatment, prevent inappropriate conduct and address workplace concerns. Where gaps are identified, suppliers may be encouraged to implement corrective actions and strengthen relevant workplace practices.

Supplier Sustainability Assessment GRI 308-1 | GRI 414-1

Supplier sustainability assessments help Royal Pharma understand how relevant suppliers manage environmental, social and responsible-business risks. Depending on the nature and risk profile of the supplier relationship, assessments may be conducted through questionnaires, supplier self-assessments, documentation reviews, compliance evaluations or other appropriate assessment mechanisms.

The assessment process considers whether relevant risk-management measures are in place and provides an opportunity to identify actual or potential adverse impacts requiring further attention. Relevant sustainability considerations may include environmental compliance, labour and working conditions, human rights, ethical business practices, regulatory compliance and other material sustainability risks associated with the supplier relationship.

Supplier Audits & Performance Verification GRI 308-2 | GRI 414-2

For critical or higher-risk suppliers, Royal Pharma may undertake additional verification through on-site or virtual audits and compliance reviews, as appropriate. These assessments can help identify non-conformances and evaluate the implementation of applicable quality, regulatory, environmental, social and responsible-business expectations.

Audit findings provide valuable information for supplier-management decisions and may form the basis for corrective actions, follow-up assessments and continued monitoring. This risk-based approach helps strengthen visibility over supplier performance and the effectiveness of relevant controls.

Corrective Action & Responsible Improvement GRI 308-2 | GRI 414-2

Where supplier assessments identify gaps, non-conformities or areas requiring improvement, Royal Pharma seeks to engage with suppliers to understand the underlying issue and establish appropriate corrective measures. The improvement process may include defined actions, responsibilities, timelines and follow-up monitoring based on the nature and significance of the identified concern.

The effectiveness of corrective actions may be reviewed to determine whether the identified issue has been adequately addressed and whether further action is required. This approach supports a shift from simply identifying supplier gaps towards supplier development, risk prevention and continuous improvement.

Environmental Responsibility in the Supply Chain GRI 308-2

Royal Pharma encourages relevant suppliers to strengthen environmental responsibility within their operations. Depending on their activities, this may include improvements relating to energy and resource efficiency, responsible water use, waste management, emissions management, pollution prevention and environmental compliance.

Through supplier communication, engagement and responsible sourcing expectations, we seek to promote greater awareness of environmental impacts and encourage continuous improvement across the supply chain.

Building Capability Through Supplier Engagement GRI 2-24

We believe that supplier engagement is essential to developing a stronger and more responsible supply chain. Royal Pharma seeks to communicate expectations and share relevant information with suppliers to improve awareness of environmental, social, labour, human-rights and ethical business issues.

Where appropriate, suppliers may be supported through training sessions, awareness programmes, supplier meetings, sharing of best practices or other capability-building initiatives. These activities can help suppliers better understand responsible-business expectations and strengthen their sustainability performance over time.

Strengthening Responsible Procurement Capability GRI 2-24

Responsible sourcing also depends on informed procurement decisions. Royal Pharma seeks to strengthen the awareness of procurement professionals regarding environmental and social issues, sustainability risks and responsible purchasing practices. Training and awareness initiatives can help procurement teams better understand potential adverse impacts within the supply chain and integrate relevant sustainability considerations into supplier selection, engagement and management activities.

Procurement Capability Indicator

Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Buyers Across All Locations Who Received Training on Sustainable Procurement (%)	100%	100%	100%

Procurement Accountability & Supplier Performance GRI 2-6 | GRI 308-2 | GRI 414-2

Supplier performance is not assessed only through commercial considerations. Royal Pharma may monitor relevant indicators relating to quality, delivery, material conformity, documentation, regulatory compliance and responsible sourcing performance.

Information obtained through supplier assessments, audits and performance reviews can support procurement and supplier-management decisions and help identify recurring issues, emerging risks and opportunities for improvement. Where appropriate, responsible procurement objectives and supplier sustainability considerations may also be incorporated into relevant procurement-management responsibilities and performance expectations.



Supply Chain Reliability & Risk Management

GRI 2 | GRI 204 | GRI 308 | GRI 414

1 Understanding Supply Chain Dependencies GRI 2-6

Reliable access to raw materials, chemicals, solvents and other critical inputs is essential to Royal Pharma's manufacturing operations. We therefore seek to understand dependencies associated with important suppliers and materials and assess potential risks that could affect supply continuity.

Potential risks may arise from limited material availability, supplier dependency, quality concerns, regulatory developments, logistics disruptions, geopolitical conditions and operational disruptions at supplier locations.

2 Understanding Environmental & Social Supply Chain Risks GRI 3-3 | GRI 308-1 | GRI 414-1

Royal Pharma recognises that sustainability impacts may extend beyond its direct operations and into its supply chain. Our responsible sourcing approach therefore considers potential environmental, social, labour, human-rights and ethical risks associated with suppliers and sourcing categories.

Depending on the nature of the relationship, relevant risks may include environmental impacts, resource consumption, emissions, waste management, child labour, forced labour, discrimination, unsafe working conditions, ethical business practices and other human-rights-related concerns.

We seek to assess significant actual and potential impacts by considering their nature, severity and likelihood. This risk-based approach helps prioritise suppliers, materials or sourcing categories that may require additional assessment, engagement, audit or corrective action.

3 Managing Critical Material Risks GRI 2-6

Certain materials may have greater significance because of their specialised nature, technical specifications or limited supplier base. Royal Pharma seeks to identify such dependencies and consider appropriate measures to reduce potential disruption.

This may include reviewing sourcing strategies, evaluating alternative suppliers and strengthening planning for materials considered critical to manufacturing continuity.

4 Monitoring Supplier Performance GRI 308-2 | GRI 414-2

Supplier performance monitoring helps Royal Pharma maintain visibility over the effectiveness and reliability of its supply base. Depending on the supplier relationship, performance may be reviewed against parameters such as quality, material conformity, delivery reliability, documentation, compliance, environmental and social performance and responsiveness to corrective actions.

Regular review provides opportunities to identify potential concerns early and engage suppliers before issues significantly affect operations or result in more significant sustainability impacts.

5 Strengthening Supply Continuity GRI 2-6

Royal Pharma considers appropriate sourcing strategies to strengthen resilience against potential supply disruptions. Depending on quality, technical and regulatory requirements, this may include supplier diversification, evaluation of alternate sources and management of critical-material dependencies.

These measures support better preparedness while ensuring that alternative sources continue to meet applicable pharmaceutical quality, safety and regulatory requirements.

6 Local & Regional Sourcing GRI 204-1

Where operationally appropriate, Royal Pharma considers opportunities for local and regional sourcing. Such sourcing may support improved responsiveness, supply continuity and reduced supply-chain complexity.

However, all sourcing decisions remain subject to the supplier's ability to meet required quality, safety, technical, sustainability and regulatory standards.

7 Responding to Supplier Gaps & Disruptions GRI 308-2 | GRI 414-2

When a supplier-related issue, sustainability gap or potential supply disruption is identified, Royal Pharma seeks to assess its potential impact and take appropriate action. Depending on the circumstances, this may include engaging with the supplier, initiating corrective actions, supporting capability development, evaluating alternative sources or strengthening procurement planning.

This proactive approach helps address identified supplier gaps while supporting manufacturing continuity and reducing potential supply-chain disruption.

8 Continuous Improvement & Supply Chain Resilience GRI 3-3

Royal Pharma seeks to continuously strengthen a supply chain that supports pharmaceutical quality, ethical business practices, environmental and social responsibility, operational continuity and long-term sustainability. Insights from supplier assessments, audits, corrective actions, performance monitoring and procurement reviews can help identify opportunities to strengthen responsible sourcing practices and supply-chain resilience over time.

Responsible Procurement & Supply Chain Performance

Supply Chain Performance Indicator	FY 2023–24	FY 2024–25	FY 2025–26
Suppliers Evaluated for ESG Performance (%)	0%	0%	30%
Suppliers Evaluated through On-site ESG Assessments (%)	0%	0%	20%
Suppliers in Agreement with the Company's Supplier Code of Conduct (%)	0%	0%	100%
Assessed Suppliers Engaged in Corrective Actions or Capacity-Building (%)	0%	0%	0%
Supplier Contracts Incorporating Environmental, Labour & Human Rights Clauses (%)	100%	100%	100%





PERFORMANCE & ANNEXURES

- Our SDG Impact Assessment.
- GRI Content Index.
- Independent Assurance Statement.

Our SDG Impact Assessment

The Sustainable Development Goals (SDGs) are a set of 17 global objectives established by the United Nations to address critical global challenges like poverty, inequality, and climate change by 2030. Royal Pharma aligns its sustainability roadmap with its ISO 9001, ISO 14001, ISO 45001, ISO 27001, USFDA and WHO-GMP commitments and the UN SDG framework.

Pillars	Goals	Objectives	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Advancing People	Talent & Learning	Strengthen R&D-Led Process Innovation				✓					✓								
		Expand Technical & Scientific Training				✓				✓									
	Health, Safety & Well-Being	Uphold ISO 45001 Occupational Health & Safety Standards			✓					✓									
		Guarantee Fair Wages & Decent Work	✓							✓									
		Promote Employee Well-Being & Safe Workplace Culture			✓														
	Workforce & Community	Foster an Inclusive, Merit-Based Workplace					✓					✓							
		Support Local Employment in Mumbai & Maharashtra	✓							✓									
Caring for the Environment	Energy & Emissions	Integrate Solar Energy Across Operations							✓						✓				
		Replace Steam with Hot Water Circulation for Sub-80°C Reactions							✓					✓					
	Water & Waste	Maintain Zero Liquid Discharge (ZLD) Operations						✓						✓					
		Harvest Rainwater On-Site						✓											
		Treat Effluents via CETP under MWML Membership						✓								✓			
		Co-Process Organic Residue as Cement Industry Fuel (Go-Green Membership)												✓	✓				

Pillars	Goals	Objectives	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Caring for the Environment	Green Chemistry	Advance Process Enhancement to Cut Water-Intensive Reactions						✓			✓			✓					
		Design Safe, Low-Effluent, Economically Viable Synthesis Routes									✓			✓					
Responsible Business & Product Ethics	Quality & Compliance	Sustain USFDA-Approved & WHO-GMP Manufacturing Standards			✓						✓								
		Uphold ISO 9001:2015, 14001:2015, 45001:2018 & 27001:2012 Certifications								✓				✓					
		Maintain Advanced QC Infrastructure for Product Integrity			✓						✓								
	Governance & Partnerships	Apply the Royal Management System (RMS) Governance Framework																✓	
		Uphold an Ethical Framework of Care, Integrity & Excellence																✓	
		Expand Global Partnerships Across 20+ Countries																	✓
		Serve 60+ Customers Including Leading Originators & Innovators									✓								✓

SDG Key

- 1 NO POVERTY — No Poverty
- 2 ZERO HUNGER — Zero Hunger
- 3 GOOD HEALTH AND WELL-BEING — Good Health and Well-Being
- 4 QUALITY EDUCATION — Quality Education
- 5 GENDER EQUALITY — Gender Equality
- 6 CLEAN WATER AND SANITATION — Clean Water and Sanitation
- 7 AFFORDABLE AND CLEAN ENERGY — Affordable and Clean Energy
- 8 DECENT WORK AND ECONOMIC GROWTH — Decent Work and Economic Growth
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — Industry, Innovation and Infrastructure
- 10 REDUCED INEQUALITIES — Reduced Inequalities
- 11 SUSTAINABLE CITIES AND COMMUNITIES — Sustainable Cities and Communities
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION — Responsible Consumption and Production
- 13 CLIMATE ACTION — Climate Action
- 14 LIFE BELOW WATER — Life Below Water
- 15 LIFE ON LAND — Life on Land
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — Peace, Justice and Strong Institutions
- 17 PARTNERSHIPS FOR THE GOALS — Partnerships for the Goals

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Independent Assurance Statement

Independent Assurance on Verification of Sustainability Information

Anares/AR/26-01
Reporting Period – 1 April 2025 to 31 March 2026 (FY 2025-26)

The Management
Royal Pharmaceuticals Industries Pvt. Ltd.
Manufacturing Unit: - Plot no – E-128, MIDC Industrial area, Tarapur, Boisar - 401506

Independent Assurance Report
Anares Analytics LLP (hereinafter referred to as "the Service Provider" or "Anares Analytics LLP") has been engaged by **Royal Pharmaceuticals Industries Pvt. Ltd.** (hereinafter referred to as "the Company") to conduct an assurance engagement on the sustainability information presented in the Company's **Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30** for the reporting period 1 April 2025 to 31 March 2026 (FY 2025-26). The engagement involved an examination of the accuracy and reliability of the sustainability data disclosed. The Company has reported the sustainability information with reference to the Global Reporting Initiative (hereinafter referred to as "GRI") Standards, using GRI 1: Foundation 2021. The greenhouse gas (GHG) emission KPIs within the disclosure have additionally been verified with reference to ISO 14064-3:2019. This engagement reflects the Company's commitment to transparency and accountability in reporting on its Environmental, Social and Governance (hereinafter referred to as "ESG") performance.

Assurance Standard
The verification engagement has been planned and performed in accordance with the verification methodology developed by Anares Analytics LLP, which is based upon the **"AA1000 Assurance Standard v3 (AA1000AS v3)"** – Type 1, Moderate level of assurance.

The GHG emission KPIs (Scope 1, Scope 2, Scope 3 and GHG emission intensity) were additionally verified with reference to **ISO 14064-3:2019** – Greenhouse gases – Specification with guidance for the verification and validation of greenhouse gas statements, at a limited level of assurance. The GHG data was evaluated against the **GHG Protocol Corporate Accounting and Reporting Standard** and the **Corporate Value Chain (Scope 3) Standard**, being the criteria adopted by the Company, with the organisational boundary set using the operational control approach.

Scope of Assurance and Methodology
The verification was conducted to provide an assurance conclusion on select non-financial sustainability disclosures in the Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 for the reporting period, and to verify their alignment with the GRI Standards referenced in the Company's GRI content index. On a sample basis, we reviewed and verified the data collection and calculation methodology and the logic for inclusion or omission of relevant information and data. Our procedures included:

- Remote verification of data, on a selective test basis, for the following units / locations, through consultations with the site team and ESG Committee members of the Company:

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10th Floor, The Junomoneta Tower nr. Rajhans Cinema, Adajan Gam, Pal Gam, Surat, Gujarat 394510
contact@silversix.pro https://www.anaresassure.com

Unit	Address
Manufacturing Unit	Plot no – E-128, MIDC Industrial area, Tarapur, Boisar - 401506

- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in the collection, transcription and aggregation processes followed;
- For GHG emission KPIs, in line with ISO 14064-3:2019: review of the organisational and operational boundary, checking activity data (fuel, purchased and renewable electricity, and refrigerant records) against source documents, reviewing the upstream and downstream Scope 3 categories and the data sources used, verifying the emission factors and Global Warming Potentials applied, and recalculating reported emissions and intensity on a sample basis;
- Review of the Company's plans, policies and practices pertaining to its ESG strategy, so as to comment on the fairness of the sustainability disclosures; and
- Review of the Company's approach to materiality assessment to identify relevant issues.

The engagement was conducted with reference to the four principles of AA1000AP (2018) – Inclusivity, Materiality, Responsiveness and Impact – which were duly considered while performing this engagement. Based on our review, the Company has demonstrated materiality in its disclosures, inclusivity in stakeholder engagement, responsiveness to key sustainability concerns, and consideration of impacts across relevant areas.

Company's Accountability
The Management of the Company, supported by the ESG / Sustainability Coordinator and the responsible functional heads, is responsible for preparing the Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 free from material misstatement with reference to the GRI Standards, and for the information contained therein. This includes choosing and applying suitable methodologies for sustainability reporting and GHG quantification, gathering and organising data, and making well-founded assumptions or estimates where needed. They are also responsible for implementing adequate internal controls to ensure the disclosures are free from material errors, whether deliberate or accidental.

Our Observations
The Company has demonstrated its commitment to sustainable development by reporting its performance on material topics for FY 2025-26 with reference to the GRI Standards. The Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 sets out the Company's stakeholder expectations, the materiality assessment conducted in Year 2025-26, ESG governance responsibilities and performance on the identified material topics against the FY 2025-26 baseline, and its Scope 1, Scope 2 and Scope 3 GHG emissions have been quantified with reference to the GHG Protocol. There is further scope to strengthen the data and information management system to ensure uniform and accurate reporting. Areas for improvement have been brought to the attention of the management and ESG Committee of the Company. These observations do not affect our conclusion presented in this statement.

Areas for improvement include:
- Strengthening data accuracy through enhanced internal controls, including consistency of KPI values across sections of the Roadmap and of the revenue denominator used for intensity metrics.

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- Documenting a GHG inventory management procedure aligned with ISO 14064-1:2018, and disclosing Scope 3 emissions by category with the methods and emission factors used.
- Increasing the coverage of supplier ESG evaluations towards the 100% target.
- Expanding disclosures on supply chain sustainability performance.
- Linking ESG performance more explicitly with strategic business outcomes.

Guidelines for Utilisation of This Statement
The Company is obligated to reproduce the Anares Analytics LLP Independent Assurance statement, along with any attachments, in its entirety, without any alterations, deletions or additions. This statement is specifically designed to convey the outcomes of the commissioned evaluation to the Company and defines the boundaries of the engagement. Anares Analytics LLP has not taken into account the interests of any third parties regarding the chosen sustainability information, this assurance report or the conclusions drawn. Consequently, nothing within the scope of this engagement or statement grants any third party any rights or entitlements.

Limitations
The assurance engagement outlined herein does not encompass the following areas:
1. Our assurance does not cover any data or information pertaining to the financial performance of the Company.
2. Our role is strictly limited to providing the assurance services detailed in this letter. We do not undertake any management functions or make decisions on behalf of the Company. All decisions, including those related to the acceptance and implementation of our services, remain the responsibility of the Company's management.
3. Any data or information that falls outside the specified reporting period is not covered by our assurance scope.
4. Our assurance is limited to the operations and locations explicitly mentioned within the defined assurance boundary, unless specifically stated otherwise in this report.
5. The Company's statements expressing opinions, beliefs, aspirations, expectations or future intentions, as well as assertions related to intellectual property rights and competitive matters, are beyond the scope of our assurance.
6. We do not cover the Company's strategy, including the FY 2029-30 targets and roadmap commitments themselves. Our assurance is limited to the reported FY 2025-26 performance data; the FY 2025-26 baseline and the FY 2023-24 and FY 2024-25 comparative figures are not covered.
7. GHG verification does not extend to avoided emissions, carbon credits or offsets, renewable energy attribute certificates, or product carbon footprints.
8. Our assurance does not extend to the mapping of the report with any reporting frameworks other than those specified above.

Our Assurance Team and Independence
Our assurance team, comprising multidisciplinary professionals with experience in sustainability assurance and GHG accounting, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant Indian and international businesses. As an assurance provider, Anares Analytics LLP is required to comply with the independence requirements set out in the "AA1000 Assurance Standard v3 (AA1000AS v3)" and the impartiality principles of ISO 14064-3:2019. Anares Analytics LLP's independence policies and procedures ensure compliance with these standards. Details can be made available to stakeholders upon request by contacting us at contact@anaresassure.com.

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Restriction of Liability
This assurance statement has been prepared solely for the Company in accordance with the terms of our engagement. Anares Analytics LLP does not accept or assume any responsibility to any third party for the information contained in this statement. This assurance statement applies exclusively to the Company's Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 as defined within the scope. It may not be relied upon by other stakeholders for different purposes. Anares Analytics LLP shall not be held liable for any decisions or actions taken by third parties based on this assurance statement.

Conclusion
On the basis of our procedures, nothing has come to our attention that causes us to believe that the Company has not fairly presented the sustainability information in its Annual Sustainability Report FY 2025-26 & ESG Key Performance Indicator Roadmap Up to FY 2029-30 for the reporting period, in all material respects, with reference to the GRI Standards. Further, nothing has come to our attention that causes us to believe that the Scope 1, Scope 2 and Scope 3 GHG emission KPIs reported therein have not been prepared, in all material respects, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

Signature,
Mr. Pankaj Shah
Director
Anares Analytics LLP
Date: 22nd Aug 2026
Place: India

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