Growing Sustainably. Scaling Responsibly.

Committed to Care, Community and Climate



Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith. and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information. future events, or otherwise.

ESG Overview



Scan Above QR code to know more about us



https://www.ajantapharma.

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Responsible Business

Conduct

Growing Sustainably. Scaling Responsibly.

Committed to Care, Community and Climate

At Ajanta Pharma, growth is not defined by scale alone. It reflects our purpose, our responsibility, and the way in which we serve patients. Every advancement we make is measured not only by effectiveness of our medicines, but also dedication to protecting the environment.

With a presence in over 30 countries and a portfolio of more than 550 trusted products, our journey has always been guided by the needs of patients.

As we enter new markets and strengthen our presence in existing ones, we remain committed to growing sustainably and scaling responsibly. This commitment is reflected in our focus on accessible healthcare, inclusive community development, and environmentally responsible practices. Ajanta's journey combines scientific excellence with social and environmental responsibility, ensuring every action is guided by our values and driven by a clear sense of purpose.



Guwahati Facility, Assam

Leadership Perspectives



We reported significant progress in our decarbonisation efforts, marked by the accelerated adoption of renewable energy, including the successful commissioning of 12.6 MW of captive solar power capacity. Through operational enhancements such as the installation of magnetic levitation chillers and briquette-fired boilers, we have achieved a remarkable 27% reduction in Scope 1 and 2 emissions, surpassing our FY 2026 targets well ahead of schedule.



Dear Stakeholders,

At Ajanta Pharma, sustainability is not a separate goal—it is a part of everything we do. We believe growth has value only when it benefits people, supports communities, and protects the environment. This report reflects that belief. It shares how we are growing with purpose and building a future that is responsible and inclusive.

The World Economic Forum's Global Risks Report 2024 highlighted extreme weather as a major concern, while COP28 reinforced the urgent need to move away from fossil fuels. In India, these global priorities align well with the government's 'Panchamrit' goals, which encourage use of clean energy, recycling, and sustainable manufacturing. For us, as a pharmaceutical company, these are not outside pressures—they confirm what we already believe: a healthy society is inseparable from the health of a planet that sustains it.

Guided by our purpose to provide good health for all, we move well beyond compliance, to foster genuine, positive impact that benefits both the society and the environment.

We reported significant progress in our decarbonisation efforts, marked by the accelerated adoption of renewable energy, including the successful commissioning of 12.6 MW of captive solar power capacity. Through operational enhancements such as the installation of magnetic levitation chillers and briquette-fired boilers, we have achieved a remarkable 27% reduction in Scope 1 and 2 emissions,

surpassing our FY 2026 targets well ahead of schedule. We have also advanced toward our goal of becoming water-positive by FY 2026 through the implementation of Zero Liquid Discharge (ZLD) systems and advanced water recycling technologies. Furthermore, our commitment to a circular economy culminated in a significant achievement, i.e., the complete elimination of hazardous waste disposal in landfills from our major manufacturing facilities, with waste now being co-processed in the cement industry.

Our social responsibility begins with our people, i.e., the 11,000+ strong Ajanta family. Over the past year, we have strengthened our talent development framework with a strong emphasis on competency-based learning and building a diverse workforce. Our partnership with Speshally NHS, which welcomed 24 differently-abled employees, is a small but significant step toward creating a more inclusive and representative organisation. Through continuous upskilling programmes, we are preparing our people to lead with resilience, empathy and purpose.

Our responsibility extends far beyond the walls of our organisation. In FY 2025, we invested 20.43 crore in our CSR initiatives, significantly exceeding the mandated requirements. Through these efforts, over 2,00,00 individuals received preventive health screenings, more than 1,00,000 students gained access to education and more than 10,000 individuals have been empowered with sports training. Delivered in partnership with trusted organisations, our initiatives create opportunities for underserved populations.

Our comprehensive stakeholder engagement framework, which utilises over a dozen distinct channels, ensures we remain attuned to the needs and expectations of all our partners. From ensuring product quality and data integrity to achieving 100% regulatory compliance, we believe that trust is earned through consistent and transparent actions.

As we look ahead, we aim to become a zero-waste-to-landfill organisation by FY 2027. Our 'first-to-market' innovation strategy will increasingly incorporate the principles of green chemistry and sustainable manufacturing to minimise environmental impact. Equally important, we will deepen our engagement with communities, making certain that our growth creates a ripple effect of positive change.

This journey is a collective endeavour. We extend our sincere gratitude to our employees for their passion and dedication, to our customers and healthcare professionals for their trust, to our partners for their collaboration and to our investors for their confidence in our vision. Together, we are building an organisation that not only pioneers innovative healthcare solutions but also upholds its commitment to creating a sustainable and responsible future.

Thank you for being a part of our journey.

Sincerely,

Yogesh M Agarwal

Managing Director

Rajesh M Agarwal
Joint Managing Director

About the Report

Reporting Framework and Standards

This report has been prepared in alignment with globally recognised sustainability frameworks and standards



Global Reporting Initiative (GRI)

In adherence to GRI Standards, including GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, and GRI 3: Material Topics 2021, to ensure comprehensive and transparent disclosure



United Nations Sustainable Development Goals (UNSDGs)

Our sustainability practices contribute to specific UNSDGs, reaffirming our commitment to addressing global sustainability challenges



Business Responsibility and Sustainability Reporting (BRSR)

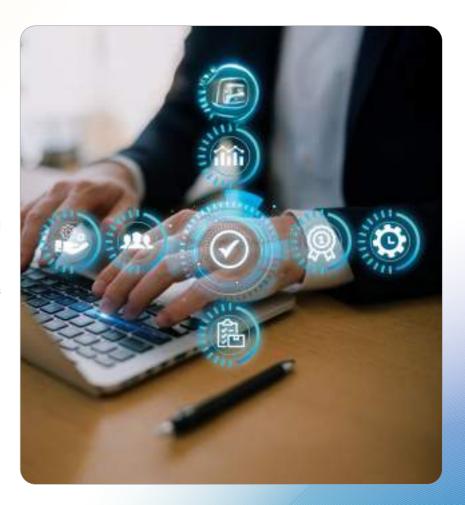
Compliant with the guidelines set by the Securities and Exchange Board of India (SEBI), reinforcing our accountability to the national regulatory frameworks

Data Collection Methodology

The data presented in this Sustainability Report has been compiled through a combination of internal records, verified management systems and inputs from relevant departments across Ajanta Pharma. Where applicable, data has been sourced from ERP systems, operational logs, HR platforms and environment, health and safety (EHS) tracking tools.

Quantitative metrics have been reviewed for consistency with past reporting cycles and validated through internal checks. Qualitative disclosures have been gathered through structured inputs from functional heads and subject matter experts to ensure relevance and accuracy.

Where estimates or assumptions were necessary, a conservative and transparent approach was followed. All reported information reflects performance for the reporting period, unless stated otherwise and aligns with applicable sustainability reporting frameworks.



Report scope and boundaries

Reporting Period:



This report covers the financial year starting from April 1, 2024 to March 31, 2025.

Scope:



The report covers key operations across manufacturing units, research and development facilities, and corporate offices in India. It includes relevant information on workforce practices, environmental management, community engagement and governance mechanisms. The disclosures are based on internally sourced and verified data, with select references to international operations where applicable. The report is prepared in line with regulatory expectations and broader sustainability principles, offering an overview of the Company's efforts to align its business practices with responsible growth.



Contact Information

We value your feedback and welcome any suggestions or inquiries regarding our sustainability efforts, performance and strategies. Please feel free to reach out to us at:

Ajanta pharma

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Executive Summary

At Ajanta Pharma we continue to strengthen our sustainability journey by combining responsible growth with measurable impact. With operations in more than 30 countries and a portfolio of over 550 products, we continue to improve health outcomes while keeping people, communities, and the environment at the centre of everything we do.

This report provides an overview of our progress across key Environmental, Social, and Governance (ESG) priorities. It highlights the actions we are taking to lower emissions, use resources efficiently, build a future-ready workforce, and uphold the highest standards of ethics across our value chain. Guided by our materiality assessment, we identified 13 ESG areas to be taken on priority for focused action and disclosure.

On the environmental front, we achieved a 27% reduction in Scope 1 and 2 emissions from our baseline and expanded the use of solar energy across multiple sites. We advanced our efforts in water stewardship, Zero Liquid Discharge (ZLD), waste reduction, and green manufacturing - demonstrating our commitment to sustainable operations.

On the social front, we strengthened employee well-being through structured learning, engagement initiatives, inclusive hiring, safety programmes, and mental health support. Our community initiatives reached underserved groups through healthcare outreach, education, women's empowerment, prisoner rehabilitation, and support for emerging sportspersons. CSR investments during the year exceeded the mandated requirements.

Governance remains central to our approach. Our disclosures follow GRI Standards, SEBI's BRSR framework, and align with select UN Sustainable Development Goals. We maintain zero tolerance for unethical conduct, and our employees and partners operate under well-defined codes of practice.

As we scale our presence globally, we are focused on reducing our environmental footprint, supporting wider access to healthcare, and creating long-term value for all stakeholders.

This report reflects our journey. Our roadmap ahead is transparent, purposeful, and it is focused on making a positive impact.

About Ajanta Pharma

At Ajanta Pharma, we improve lives through innovative and reliable pharmaceutical solutions. Our patient-centric approach, combined with cutting- edge technology helps us improve health and enrich lives across the globe.

Crafting a Healthier Future with Innovation and Integrity

Ajanta Pharma has built a legacy of impactful solutions that have helped millions worldwide. With a diverse portfolio of over 550 trusted brands, we focus on innovation and quality to address evolving patient needs. Our diverse presence, both in emerging and developed markets enables us to grow responsibly while expanding access to essential medicines.

30+
Countries

550+

Products

5,400+

MRs

11,000+

Ajantaites



Mission

Serve global healthcare needs through empathy, innovation and technology.



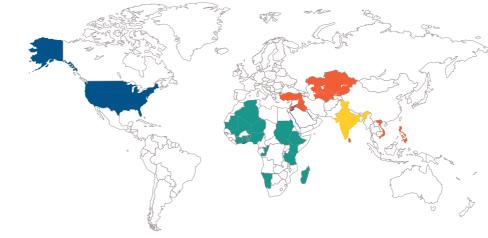
Vision

Be a niche player in global pharma space and to enhance value for all stakeholders.



Corporate Headquarter in Andheri, Mumbai

Business Segments





Branded Generics - India

In India, our portfolio includes over 330 products across specialty segments like cardiology, ophthalmology, dermatology, pain management, nephrology, and gynaecology.

32%

of Revenue



Branded Generics
-Asia and Africa

In Emerging Markets, with a portfolio of over 220 products, we operate across a wide range of therapeutic areas, including cardiology, diabetic care, anti-malarial treatments, pain management, paediatrics and general health products.

42%

of Revenue



Generics

cs **a**

Ajanta Pharma has established itself as a meaningful niche player in the US generics market.
Currently, we have 47 products available on shelf, with 22 pending ANDA approvals from the US FDA.

23%

of Revenue



Africa Institution

Ajanta is the pioneer in generic anti-malarial product of Artemether-Lumefantrine (immediate release and dispersible tablets) combination in Africa.

3%

of Revenue

Our Product Snapshot



About Ajanta Pharma

Research & Development

Science forms the foundation of our sustainability journey. We view Research and Development (R&D) as a functional and a strategic pillar that enables us to deliver better health outcomes, improve access and enhance patient well-being across geographies.



Ajanta Research Centre, Mumbai

Integrating R&D into Our Sustainability Strategy

In FY 2024-25, our R&D team worked on several important initiatives. We developed novel nano-technologybased microemulsion formulations for ophthalmic use and preservative-free ophthalmic products using new bottle designs. In dermatology, we launched non-comedogenic formulations to support better skin health. We also used tangential drug layering technology to create new products with improved consistency. For oral solid dosage forms, we introduced a process that combines two steps into one, helping to save time, improve quality, and reduce resources used.

We continued our work on converting tablet coatings from non-aqueous to aqueous systems, which helps reduce the use of solvents. For the US market, we developed complex generic products for ANDA filings, while also creating cost-effective formulations across different therapy areas. One key outcome this year was the development and launch of a product for the treatment of neuropathic pain.

In addition, we built stronger in-house capabilities by synthesizing different types of impurities needed for internal testing, reducing dependence on external sources. On the analytical side, we developed a cost-effective and efficient FT-NIR method for quality testing of products across international and domestic markets.

Benefits derived from R&D:

 Successful commercialisation of ANDA product with specialised OROS technology.

- Successful commercialisation of preservative free ophthalmic product in novel preservative free bottles.
- 5 ANDA approvals received & 7 new ANDAs filed with USFDA.
- Developed and stabilised new 9 oral solid, 4 topical & 1 liquid oral products for ROW market.
- Total 13 APIs developed for Domestic, ROW & ANDA market.
- 8 APIs manufacturing scaled up for commercial production.
- One patent application for pharmaceutical composition has been filed in India.
- 8 Domestic ophthalmic suspension and solution products developed.

 Total 6 Dossier of Pharmaceutical Finished Product & Active Pharmaceutical Ingredient filed with DCG(I) for domestic marketing authorisation.

- DCG(I) Approval granted for 1st time in country for products having novel triple drug combination of angle glaucoma/ocular hypertension therapeutic category.
- 60 no. of FT-NIR method developed & 36 no. of method implemented at mfg. site for commercial utilisation.
- Under Life Cycle Management (LCM) activity, 67 FT-NIR method developed & 55 method implemented at mfg. site.

100,000 sq. ft.

State-of-the-art facility located in Mumbai

850+

Scientists focusing on the development of complex/difficult-tomake products

Strategic Levers that Strengthen Our Edge



First-to-market Product Launches

Brand visibility, early adoption, competitive edge



Therapeutic Segmentation

Deeper understanding of patient needs and market trends



Geography-specific Portfolio Strategy

Tailored products with higher acceptance and compliance



In-house R&D and API Capabilities

Faster development cycles and cost efficiencies



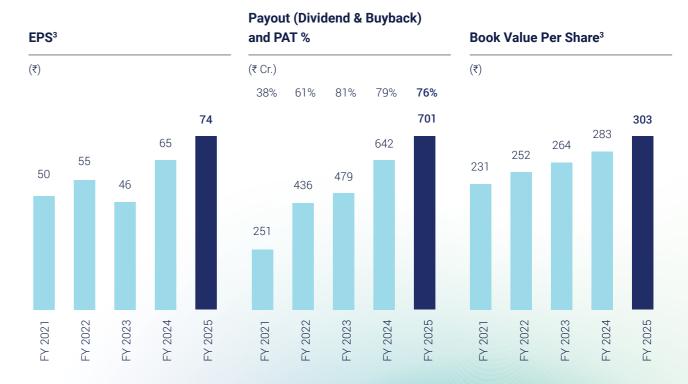
Compliance across Global Standards

Regulatory access and consistent quality assurance

Financial Highlights









¹ROCE calculated as EBIT/(Net worth + Lease liability + Deferred tax liability).

²ROE calculated as Net profit/Average net worth.

³Bonus issue in April 2022 adjusted in all years for calculation of EPS & Book Value.

⁴Cash Conversion Ratio calculated as CFO (Cash Flow from Operations)/EBITDA

Best-in-Class Manufacturing Facilities

Manufacturing excellence is a continuous pursuit at Ajanta, reflecting our focus on quality, technology and future readiness. At the heart of Ajanta's manufacturing innovations are its seven state-of-the-art manufacturing facilities in India. Two of our facilities are US FDA-approved and others are WHO cGMP compliant. Ajanta is always ahead of the curve and not just does the bare minimum to meet the requirements.



Liquid Packaging Line @ Pithampur, Madhya Pradesh



Ajanta Dahej Facility, Gujarat

We operate 7 state-of-the-art manufacturing facilities across India, namely at Dahej (Gujarat), Paithan (Maharashtra), Guwahati (Assam), Pithampur (Madhya Pradesh), Chitegaon (Maharashtra), Chikalthana (Maharashtra) and Waluj (Maharashtra).

Together, these facilities are equipped to deliver a diverse range of formulations like tablets, capsules, liquids, ointments, sterile eye drops and active pharmaceutical ingredients contributing to an annual capacity of over 8 billion dosages.

ESG Overview

What ESG Means to Us

Instead of ticking boxes, we focus on creating practical impact.



Aligning with Global Goals



16



















Environment

27%

Reduction in Scope 1 & 2 emissions (vs. base year)

3,47,812 KL

50,000+ GJ

of renewable energy

ISO 9001:2015

5

Major sites fully equipped with solar plant

Waste recycled

3,000+ MT

ISO 14001

Zero Liquid Discharge

Achieved at key facilities

Social

1,000+

5

Employees participated in wellness programs

Field promotions supported via structured

10,000+

7

Wellness program including mental health

1,00,000+

Students benefited from our education initiatives under CSR

review

66

Town Hall Meetings to understand and address concerns of employees

Individuals empowered

with sports training under CSR

system

24

Differently abled employees onboarded

ISO 45001:2018

Occupational Health and Safety management 2,00,000+

Training programs on human rights and POSH

Persons benefited from health initiatives under

Governance

100%

Zero

Board and Senior Management coverage under Code of Ethics

50%

POSH violations and

Independent directors

Female Independent directors

25%

Zero

100%

Awareness Campaign

100%

Regulatory Compliance

17

Anti-Corruption Polices Data breaches whistle-blower complaints and Codes

Targets & Ambitions

ESG Goals & Targets



Environmental Goals

Focus Area	Specific Target	Timeline	Base Year	Progress Status	SDG Mapped
Renewable Energy	50% by FY 2027	FY 2027	FY 2021-22	In Progress	7 DEFENDANT MO CHANGES TO CHANGE TO
Carbon Emissions	Reduce Scope 1 & 2	FY 2026	FY 2022-23	Ahead of Target 27% achieved	13 TAMATE ACTION
Water Conservation	Water use from rural projects	FY 2026	FY 2023-24	Ongoing	6 SECRETARIES SOCIALISMS
Waste Management	Reduction in waste per production unit	FY 2026	FY 2024-25	Newly Initiated	12 assessed to the second to t
Paper Waste	Paper use reduction through digitalisation	FY 2026	Ongoing	Achieved 50%	12 REPORT IN SOME IN S
Tree Plantation	Plant 20,000 trees	FY 2026	Ongoing	In Progress	13 TEMBER ACTION 15 IFF. 15 IFF. 16 IFF. 17 IFF. 18



Social Goals

Focus Area	Specific Target		Timeline	Progress Status	SDG Mapped
Employee Wellness	Wellness & mental h	ealth programs	FY 2024-25	Achieved	3 COOLEANS
Employee Engagement	7 Town Halls	12 Engagement Activities	FY 2024-25	Achieved	8 HERT WHILL AND CONTROL CONTR
Skill Development	12 Training Programs		FY 2024-25	Achieved	4 SORETT 8 BESSENGERSWIN
Gender Diversity	Increase by at least 1%		FY 2024-25	In Progress	5 (MAR)
Human Rights & POSH	Training programs (for employees & VC	Ps)	FY 2024-25	Completed	5 man 16 not man (
Workplace Safety	2 Zero Lost-Time Incid	lents	FY 2024-25	Achieved	8 RECEIVED AND LOCAL STATES



Focus Area	Specific Target	Timeline	Progress Status	SDG Mapped
Public Advocacy	Use only industry forums for policy dialogue	Ongoing	Maintained	16 MACE ASSIDE MESTRONIC M
Investor Services	Elevated investor service standards by reducing the quantum of unclaimed dividend etc.	FY 2024-25	Achieved	9 Neutrin Heriodin Neutrin Heriodin
Grievance Redressal	Resolve all stakeholder complaints within 7 days	Ongoing	On Track	16 MAGNAME INCHIDINGS
Customer Satisfaction	100% Complaint Resolution + Awareness Campaign	FY 2024-25	Ongoing	3 monerans
Compliance	100% Regulatory Compliance	Ongoing	Maintained	16 MAN ARTHUR MACHINE INCIDENCE INCI

Stakeholder Engagement

At Ajanta Pharma, we recognise the growing importance of sustainability to our stakeholders and actively seek to understand the interests and perspectives of each group across the ecosystem. We follow a comprehensive engagement process and use these ongoing dialogues to guide the future direction of our business activities.

Stakeholder Identification

We regularly gather feedback from our critical stakeholders, including customers, employees, suppliers, regulators, business partners, local communities and investors to understand their specific concerns and priorities. This information helps us make informed decisions that improve our operations and strengthen our relationships both within the Company and with the communities we serve.

Collaborating for Responsible Growth



Customers



Employee:

12

Investors/ Shareholders



Suppliers & Vendors



Business Partners



Regulators



Communities & NGOs

7

Key stakeholder Groups

365

Days of Engagement 12+

Engagement Channels

100%

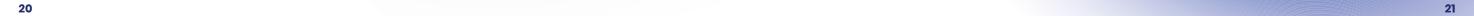
Stakeholder Coverage

Stakeholder Engagement Mechanism

At Ajanta Pharma, we engage with key stakeholder groups through both direct channels such as meetings as well as indirect methods, including email, SMS, newspaper, pamphlets and advertisements to gather feedback as needed. This open and transparent communication helps us create value and provides stakeholders with a clear understanding of current activities and future business plans. The table below outlines our key stakeholders and the specific engagement mechanisms we use.

Our Stakeholders

ler Group	Why They Matter	How We Engage	Key Concerns Addressed
Customers	Patient safety & satisfaction	Product feedback, online surveys, customer service channels	Drug efficacy, safety, accessibility, pricing
Employees & Workers	Workplace culture, safety, development, motivation	Town halls, trainings, open- door policy, email helplines	Career growth, workplace safety, work-life balance, compensation
Investors/ Shareholders	Strategic alignment & financial performance	AGMs, earnings calls, disclosures, newsletters	Financial returns, growth strategy, risk management, ESG performance
Value chain Partners	Sustainable sourcing & efficiency	ESG trainings, emails, compliance audits	Quality standards, payment terms, sustainability practices, capacity building
Business Partners	Innovation and delivery capabilities	1-on-1 meetings, contract compliance reviews	Partnership terms, innovation collaboration, market access, regulatory compliance
Regulators	Compliance & governance	Formal submissions, audit reviews, meetings	Drug approvals, quality adherence, environmental regulations, regulatory compliance
Communities & NGOs	CSR, environment, local development	Community meetings, partnerships, feedback sessions	Healthcare access, environmental protection, local employment, community development
	Customers Employees & Workers Investors/ Shareholders Value chain Partners Business Partners Regulators Communities	Customers Patient safety & satisfaction Employees & Workplace culture, safety, development, motivation Investors/ Strategic alignment & financial performance Value chain Partners Sustainable sourcing & efficiency Business Partners Innovation and delivery capabilities Regulators Compliance & governance Communities CSR, environment, local	Customers Patient safety & satisfaction Product feedback, online surveys, customer service channels Town halls, trainings, opendoor policy, email helplines Investors/ Shareholders Strategic alignment & financial performance AGMs, earnings calls, disclosures, newsletters Value chain Partners Sustainable sourcing & efficiency ESG trainings, emails, compliance audits Business Partners Innovation and delivery capabilities Compliance & governance Formal submissions, audit reviews, meetings Communities & CSR, environment, local development development



Materiality Assessment

To effectively address stakeholder expectations and manage risks and opportunities from an Environmental, Social and Governance (ESG) perspective, we conducted a materiality assessment. This assessment helped us identify important issues that impact our business objectives and our stakeholders.

Materiality Assessment Approach

We recognise that stakeholder priorities evolve over time. To keep our ESG efforts aligned with these evolving needs, we employ a comprehensive materiality approach. This process systematically gathers and prioritises stakeholder insights to identify the key environmental, social and governance issues critical to responsible growth and long-term business resilience.

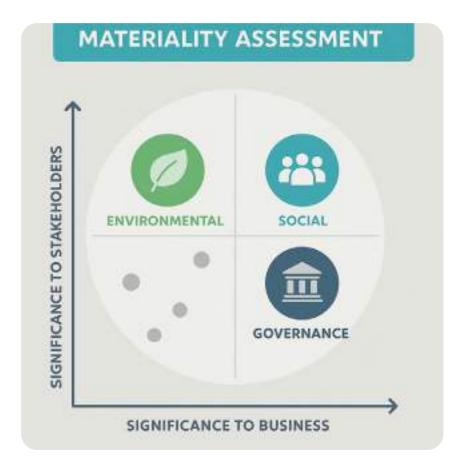


Our Material Topics

The material topics presented in the materiality matrix are the outcome of a thorough assessment that considered each topic's importance and impact on Ajanta Pharma's business and its potential to create value for stakeholder as also the risk it carries, if materialised.

We identified 26 material topics, of which 13 have been designated as priority ESG issues. This enables us to concentrate on the most significant topics and address them through our business policies and sustainability strategy.

In this materiality assessment, 'Customers' refers to healthcare professionals, dealers and distributors, while 'Business Partners' refers to thirdparty manufacturers.



	Material Topic	Summary	Management Approach	Aligned SDGs	GRI
	Energy Management	Focus on operational efficiency, renewable transition, cost savings	12.6 MW captive solar power, emissions reduction, EC fans, green energy roadmap	7 ::::::::::::::::::::::::::::::::::::	GRI 302: Energy (2016)
Environmental	Water & Wastewater Management	Water scarcity and contamination risks; opportunity in circular reuse	Water-positive target by FY 2026, ZLD systems, condensate recovery, rainwater harvesting	6 mm. 14 fl.m. 15 fl.m. ♠	GRI 303: Water and Effluents (2018)
₹	Waste Management	Hazardous waste mismanagement, regulatory non-compliance, disposal costs	10% annual waste reduction target, solvent waste recycling, EPR compliance, zero landfill	12 martine (14 martine) (15 mar	GRI 306: Waste (2020) GRI 301: Materials



Materiality Assessment

	Material Topic	Summary	Management Approach	Aligned SDGs	GRI
	Occupational Health & Safety	Safety incidents can reduce productivity and morale	ISO 45001, HIRA, PPE, health monitoring, regular safety training	3 mm. -/n/♣	GRI 403: Occupational Health and Safety (2018)
<u>-</u>	Product Quality & Safety	Defects can harm patient well- being and business reputation	Pharmacovigilance, ISO 9001, cGMP compliance, lifecycle monitoring, tech adoption	3 section 12 materials _/h//* 2 materials	GRI 416: Customer Health and Safety
Social Social					GRI 417: Marketing and Labelling
	Human Rights	Reputational and legal risks from violations; opportunity to foster inclusivity	Due diligence, grievance redress, third-party screening, training on human rights &	8 ====== 10 ==== 16 ==== 1	GRI 412: Human Rights Assessment
			POSH		GRI 408: Child Labour
					GRI 409: Forced Labour
	Talent Acquisition &	Drives innovation, retention, and productivity	Upskilling programs, "Great Place to Work" culture, well-	4 mary 5 many 8 minoryman (minoryman) ©	GRI 401: Employment
	Management		being initiatives		GRI 404: Training and Education
					GRI 405: Diversity and Equal Opportunity
	Data Integrity & Cybersecurity	Data breaches impact patient safety and operations	Advanced IT systems, disaster recovery plans, employee cybersecurity training	9 mental to the series Laboratory	GRI 418: Customer Privacy
Sovernance	Corporate Governance	Ethical lapses can erode trust and invite penalties	Code of Conduct, business integrity oversight, compliance frameworks, whistleblower policy	8 conservation of the cons	GRI 2: General Disclosures
. (100 -	Product Development, Innovation & Pricing	Supports affordable healthcare, R&D-led growth, market access	Cost-efficient innovation, novel drug delivery systems, product affordability strategy	3 march 9 march 12 march 14	GRI 2: General Disclosures (Innovation Strategy)





Environmental

At Ajanta Pharma, environmental stewardship is central to our long-term vision of improving human health without compromising the planet's well-being. As a specialty pharma company with operations across India, Asia, Africa and the United States, we understand the dual challenge of expanding access to life-saving medicines while reducing our ecological footprint.

Our environmental agenda is anchored in science, systems and accountability. From energy and emissions to water and waste, our strategy integrates proactive sustainability practices across our global value chain. We view this as an opportunity to lead by example within our industry demonstrating that pharmaceutical growth and environmental protection can progress hand in hand.

Partur Solar Plant, Maharashtra

Environmental Management Framework

Environmental Policy and Governance

Our Environmental Management System (EMS), aligned with ISO 14001:2015 standards, forms the backbone of our environmental governance. It enables a structured and scalable approach to

Identify and assess environmental risks and opportunities

Set science-based environmental targets

Monitor key indicators and regulatory compliance

Implement efficient operational controls

Cultivate a culture of responsibility and continuous improvement

Our Material Focus Areas

Through comprehensive stakeholder engagement and materiality assessments, we have identified key environmental focus areas that are most significant to our business and stakeholders

- Climate Action and Decarbonization
- 2 Water Stewardship
- Circular Economy and Waste Management
- 4 Sustainable Chemistry and Manufacturing
- 5 Biodiversity Conservation



Scope of this Focus Area

Our climate action agenda spans the entire operational footprint covering manufacturing sites, quality labs, warehousing infrastructure and indirect supply chain interactions. It encompasses the full spectrum of emissions across Scope 1 (direct) and Scope 2 (purchased electricity) with a sharp focus on energy efficiency, renewable energy adoption and emissions avoidance technologies.

Our strategy covers both infrastructure transformation (such as solar, biomass boilers, and chillers) and systemic optimization (such as PAT tools, digitization and process engineering), aligning our operational practices with global climate objectives.

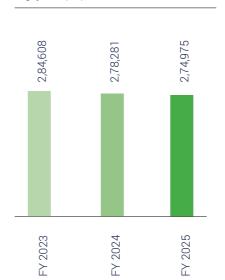
Why It Matters?

The pharmaceutical sector, while critical for global health outcomes, is also energy-intensive particularly in manufacturing and climate-controlled logistics. Climate change poses increasing physical risks and transition risks.

For a company like Ajanta Pharma with growing global reach, aligning with the Paris Agreement's 1.5°C pathway is not only a matter of responsibility, it is a business imperative for long-term resilience, license to operate and cost optimization.

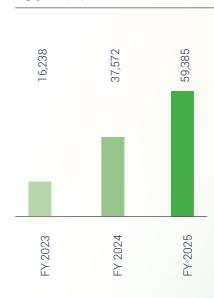
Total Energy Consumed from Non-renewable Sources





Total Energy Consumed from Renewable Sources

Gigajoule (GJ)



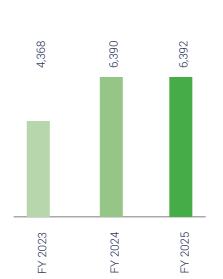
Strategic Approach

Our decarbonization roadmap is structured around three strategic levers



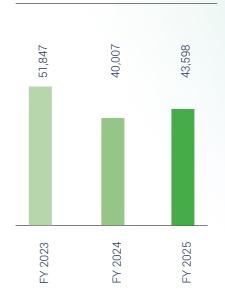
Scope 1

tCO2e



Scope 2

tCO2e



Actions – Key Initiatives for Scope 1 Emissions Reduction

Briquette-Fired Boilers

Transitioned from Light Diesel Oil (LDO), a fossil fuel, to briquette-fired boilers at Paithan and Dahej. Briquettes are made from agricultural waste, offering a renewable, lower-emission alternative. This shift also increased boiler thermal efficiency from 75% to 88%, improving operational performance.

2,640 tCO₂e

reduction/year

₹3.6 Cr

annual savings

FTNIR in QC Labs

Introduced FTNIR (Fourier Transform Near Infrared) spectroscopy in Quality Control labs to replace conventional wet chemical methods, significantly reducing the use of organic solvents. This minimizes hazardous waste and mitigates occupational health risks.

41 tCO₂e

reduction/year

₹26 lakh

annual savings

30

Levitation Chillers at PTN

Replaced conventional chillers at the Paithan site with magnetic levitation chillers, which offer higher energy efficiency and lower noise. These chillers use oil-free technology and consume less electricity per unit of cooling, making them ideal for pharmaceutical climate control.

2,908 tCO₂e

reduction/year

₹2.1 Cr

saved

Condensate Recovery Systems

Installed advanced condensate recovery systems at Guwahati, Paithan , and Dahej sites to capture and reuse steam condensate in the boiler feed, reducing both water usage and fuel consumption. This system directly supports water circularity and thermal efficiency.

196 tCO₂e

reduction/year

₹20 lakh

saved

Steam Coil Dehumidifiers

Installed dehumidifiers that use steam coils instead of electric contactors, combined with Thyristor control for precision heating. This approach improves energy efficiency during dehumidification when boiler is in standby mode.

80 tCO₂e

reduction/year

₹8.1 lakh

saved

EC Fan Motors

Replaced conventional HVAC fan motors with EC (Electronically Commutated) motors, which combine AC/DC advantages. These motors significantly reduce power consumption and offer better speed modulation and control.

1,382 tCO₂e

reduction/year

₹1.97 Cr

saved

Actions – Key Initiatives for Scope 2 Emissions Reduction

Solar Power - PTN

Commissioned a 7.2 MW solar power system (rooftop and open access) at Paithan site to transition to renewable electricity. The system offsets over two-thirds of the plant's energy needs.

7,260 tCO₂e

reduction/year

₹5.32 Cr

annual savings

Solar Power - PMR

Implemented 1 MW rooftop solar capacity at Pithampur (PMR) unit. The setup provides a significant portion of the unit's electricity needs.

1,008 tCO₂e

reduction/year

₹54.4 lakh

saved

Solar Power - Warehouses & Chitegaon

Installed 0.84 MW rooftop solar capacity at Chitegaon and central warehouses (domestic and export).

850 tCO₂e

reduction/year

₹88.5 lakh

31

annual savings

Solar Power - DHJ

Installed 1 MW rooftop solar system at Dahej to generate clean energy.

1,008 tCO₂e

reduction/year

₹68 lakh

saved

Solar Power - GHT

Deployed 2.5 MW rooftop solar plant at Guwahati facility to offset conventional electricity usage. Plans underway to further scale via open access route.

2,520 tCO₂e

reduction/year

₹1.6 Cr

saved



Scope of this Focus Area

Water management covers all aspects of freshwater intake, internal consumption, wastewater treatment, reuse and discharge across our manufacturing operations. Our focus extends across utilities, process water, and ancillary applications such as cleaning and landscaping.

The objective is twofold

- To reduce dependency on freshwater sources through operational efficiency and circularity
- To ensure that all discharged water meets stringent quality standards protecting both people and ecosystems

Why It Matters?

Water is a critical input in pharmaceutical manufacturing, but its availability is increasingly threatened by climate variability, local water stress and regulatory pressures. The pharmaceutical sector also faces growing scrutiny over the release of pharmaceutical residues into local ecosystems.

Managing water efficiently helps us mitigate risks related to business continuity, regulatory compliance, and community relations. At the same time, responsible water discharge ensures we uphold our duty of care to downstream ecosystems and water users.

Water Quality Protection

Water discharged from Ajanta's manufacturing units undergoes robust treatment and quality control. We adhere to No-Effect Concentration (NEC) thresholds for Active Pharmaceutical Ingredients (APIs) to ensure that our effluents do not pose ecological risks to aquatic life or downstream communities.

Continuous Monitoring

All key water parameters including chemical, biological and pharmaceutical residues are monitored at source and post-treatment before discharge or reuse.

ZLD Compliance

Multiple sites have achieved Zero Liquid Discharge status, fully recycling effluent back into operations.

Independent Audits

Third-party assessments and performance validations are conducted by M/s Vinay & Keshava LLP, ensuring transparency, accountability and alignment with regulatory expectations.

Water Management Zero Liquid Discharge

(ZLD) at API Waluj

Actions - Key Initiatives for

ZLD systems were installed at our API facility in Waluj to ensure that no untreated effluent is discharged. The system recycles all treated wastewater back into cooling towers and utilities, significantly reducing the plant's freshwater withdrawal. This marks a shift from disposal to full reuse, in line with water neutrality goals.

Wastewater Recycling Facility at Paithan

The facility recycles treated wastewater for reuse in non-potable applications like cooling tower operations. This closed-loop system minimizes withdrawal from local sources and supports site-level water sustainability.

ETP RO Facility at Guwahati (GHT)

Installation of a reverse osmosis system at the ETP enables the recovery and reuse of water previously discharged. This initiative complements the ZLD efforts by increasing the treatment efficiency of wastewater.

Mist Evaporator at Dahej (DHJ)

Installed to evaporate RO reject water and minimize discharge volumes. This technology plays a key role in achieving zero liquid discharge in a scalable and modular format, especially for smaller process lines.

Condensate Recovery Systems at GHT, DHJ

These systems collect steam condensate generated during manufacturing and redirect it to the boiler feedwater system. This reduces both water usage and energy demand, as preheated condensate requires less fuel to re-boil.

Spray Ball Cleaning in FBP & Coating Units

Introduced spray ball technology in fluid bed processors (FBPs), coating, and duct cleaning operations. This provides effective internal cleaning with minimal water, replacing traditional high-flow rinse methods.

Automated Sprinkler Systems for Landscaping

Replaced manual irrigation with precision sprinklers for greenbelt areas. This ensures uniform coverage, reduces overwatering, and optimizes landscape maintenance.

Water Quality Compliance and Monitoring

We maintain strict control over effluent discharge by adhering to discharge parameters for APIs and other pollutants. Water samples are monitored regularly to ensure compliance with No-Effect Concentration (NEC) standards.

Strategic Approach



Reduce

Optimizing cleaning protocols, equipment design such as spray ball technology and landscaping practices such as automated irrigation to lower total water demand.



Replenish

While internal reuse is prioritized, future plans include watershed-based community projects for groundwater recharge and long-term water resilience.



Reuse

Systems like condensate recovery and wastewater recycling are implemented to reintroduce usable water back into utility operations such as cooling towers.



Recycle

Effluent from manufacturing processes is treated via advanced ETP + RO systems and mist evaporators, particularly in ZLD-compliant units like Waluj and Dahej, to ensure near-total recycling.



Scope of this Focus Area

Our waste management framework encompasses both production-linked waste and site-wide administrative waste across manufacturing facilities, warehouses, laboratories and offices.

Our Scope Includes

- Hazardous waste from APIs, solvents and regulated materials
- Non-hazardous waste, including paper, cardboard, metal and packaging
- Plastic waste, managed under EPR compliance
- Biomedical and electronic waste, governed by applicable national rules
- Digital and documentation waste.

Why It Matters?

Waste is not a passive by-product of production it is a critical sustainability challenge that intersects environmental, operational, and reputational risks. In a sector with high material sensitivity like pharmaceuticals, irresponsible waste disposal can lead to ecological contamination, regulatory penalties and community distrust.

At the same time, waste streams present untapped opportunities for cost savings, circularity, and innovation. Whether it is replacing packaging materials, co-processing hazardous waste, or digitizing documentation, waste reduction is a lever for driving systemic efficiency and building operational resilience.

Strategic Approach



Prevent

We integrate process efficiency and design improvements to eliminate waste generation at the source.



Reduce

We optimize material usage and packaging to minimize waste volumes across operations.



Recycle

We recover value from waste through certified recycling and segregation systems.



Responsible Disposal

We ensure safe and compliant disposal through co-processing and authorized vendors, avoiding landfill wherever possible.

Actions - Key Initiatives for Waste Management

Digitalization for Paperless Operations

We have adopted digital platforms across quality control, documentation and internal approvals, significantly cutting down on paper consumption and reducing operational waste. This initiative aligns with our long-term goal of minimizing resource-intensive processes.



350 tCO₂e

avoided annually

₹66 lakh/year

Additional

Reduced use of printing materials, energy, and physical storage

Statu

Ongoing across all major locations

Sustainable Packaging

Plastic-to-Glass Substitution

To reduce reliance on single-use plastics, plastic bottles in selected product lines have been replaced with glass alternatives. This enhances recyclability and durability, while supporting India's EPR compliance objectives.

4 tCO₂e

avoided

Status

Completed

Eco-Friendly Packaging

We are transitioning to recyclable and biodegradable packaging. HDPE drums are being replaced with fiber-based containers and packaging sizes are being optimized to reduce overall material input.

d

140 tCO₂e

avoided

Ongoing across production lines



Hazardous Waste Management

Hazardous Waste Co-processing

All hazardous waste from Aurangabad, Paithan, Guwahati and Dahej is sent to cement kilns for co-processing. This method enables complete thermal destruction and prevents landfill accumulation, aligning with circular economy principles.

E-Waste and Battery Disposal

Electronic waste and used batteries though low in volume are handled through certified recyclers to ensure environmentally sound disposal.

Biomedical Waste Management

Biomedical waste from R&D and manufacturing activities is segregated and disposed of via certified bio-waste handlers in compliance with national regulations.

Impac

Zero hazardous waste sent to landfill from 3 major units

Impact

5 & 0 MT

E-Waste and Battery Disposal

Impaci

12.83 MT

Compliance

Fully aligned with Hazardous and Other Wastes Rules

Compliance

Aligned with E-Waste & Battery Disposal Rules

Complianc

Managed under Biomedical Waste Management Rules

Status

Fully implemented

Statu

Fully compliant and ongoing

Statu

Ongoing at all applicable sites

Recyclable and Organic Waste Management

Materials such as paper, cardboard, metal and secondary packaging are segregated at source and sent for recycling. Compostable organic waste is utilized in landscaping where applicable.

Plastic Waste Management

Plastic waste is managed through segregation, collection by certified vendors and either recycling or co-processing. All practices comply with the Plastic Waste Management Rules and EPR obligations.

Landfill Avoidance Strategy

We maintain a strict landfill avoidance framework. With effective segregation and recovery.

Impact

2,852 MT

Impac

566 MT

Impa

5 MT out of 3,071 MT total

Compliance

Managed under Recyclable and Organic Waste Management Complian

100% managed through authorized partners

Complianc

Managed under Landfill Avoidance Strategy

Statu

Ongoing and site-wide

Status

Ongoing

Char

On track



Scope of this Focus Area

Sustainable chemistry and manufacturing cover process innovation, solvent and material optimization, real-time production monitoring, and infrastructure design improvements. These interventions are embedded across product development, quality control and plant operations, and are implemented across our domestic and international manufacturing sites. Our efforts also extend to R&D investments and product lifecycle assessments to ensure environmental sustainability is integrated from the lab bench to market delivery.

Why It Matters?

Pharmaceutical manufacturing is resource-intensive and can generate significant environmental impact if not managed responsibly. Solvent use, energy demand, and batch rejections all contribute to emissions, waste and operational inefficiencies.

We recognize that adopting green chemistry and smarter manufacturing technologies is critical not only for regulatory compliance and cost control, but also for building long-term resilience and credibility in a rapidly evolving sustainability landscape. These initiatives directly support our commitment to lowering our environmental footprint while ensuring product quality and safety.

Strategic Approach

Our sustainable manufacturing roadmap is built on four integrated pillars

Green Chemistry Integration Advanced Manufacturing Technologies Energy-Efficient Infrastructure R&D for Environmental Impact Reduction



Our use of FTNIR spectroscopy in our quality control labs has helped reduce solvent waste, improve safety and lower emissions without compromising analytical accuracy.

KPI

Solvent Reduction (QC operations)

Energy Saved through Steam Coil Systems

Process Improvement Projects Implemented

% of R&D Budget on Green Chemistry

FY 2025 Performance

41 tCO,e avoided

80 tCO₂e avoided

205 tCO₂e avoided

15%

Actions - Key Initiatives for Sustainable Chemistry and Manufacturing

Green Chemistry Integration

Solvent Reduction Using FTNIR

FTNIR (Fourier Transform Near-Infrared) spectroscopy has been deployed in quality control labs, significantly reducing the use of organic solvents. This shift contributes to lower greenhouse gas emissions, minimizes hazardous waste generation, and improves lab safety.

Aqueous Coating Technology

Transition from non-aqueous to aqueous tablet coating processes for select formulations has helped reduce the use of volatile organic compounds (VOCs), promoting a safer and more environmentally sound production process.

Material Optimization

Through formulation and process redesign, we reduce raw material consumption, packaging inputs and chemical usage without compromising on product efficacy or compliance.

Advanced Manufacturing Technologies

Continuous Manufacturing

Applied where feasible to reduce waste, improve batch uniformity and optimize energy and material use.

Automation and Digitization

Integrated automation systems help in reducing manual interventions, minimizing the risk of error and ensuring higher production efficiency.

Process Analytical Technology (PAT)

PAT tools allow for real-time process monitoring and quality control, reducing batch failures and raw material wastage.

Facility Design and Energy Optimization

Energy-Efficient Infrastructure

New facilities are designed with thermal insulation, optimized air handling units and advanced dehumidification systems to reduce HVAC loads.

Steam Coil Dehumidifiers with Thyristor Controls

Deployed to enhance energy efficiency in dehumidification during low-load operations, replacing conventional heating systems.

High-Density Roofing Sheets

Installed across select buildings, these maintain a 2.5°C lower internal temperature compared to ambient conditions, reducing energy demand for climate control.

Investment in R&D for Sustainability

R&D Allocation

15% of R&D expenditure is earmarked for developing environmentally responsible processes and product innovations.

Life Cycle Assessments (LCA)

LCA studies are underway for high-volume products to better understand and manage cradle-to-grave environmental impact.



Scope of this Focus Area

Our biodiversity strategy covers all operational and non-operational areas across our manufacturing and R&D locations. While none of our facilities are located within ecologically sensitive zones, our responsibility to protect local ecosystems extends across land use, landscaping, procurement, and supplier engagement practices.

This focus area also includes the development of green zones, tree plantation drives, sustainable sourcing of natural inputs and the use of biodiversity-sensitive site design ensuring that our presence does not contribute to habitat degradation or ecological imbalance.

Why It Matters?

Biodiversity is fundamental to the long-term health of ecosystems that support human and economic activity. Even in non-sensitive zones, industrial operations can indirectly contribute to loss of species, pollution of habitats and ecological disruption through land modification, unsustainable sourcing, and chemical use.

By embedding biodiversity into our sustainability framework, we aim to proactively address these risks, improve climate resilience at site level and contribute to broader environmental goals such as soil health, pollinator conservation and sustainable water usage.

Strategic Approach

Our strategy is built on four key pillars; each aimed at integrating ecological safeguards into our business practices

Biodiversity
Assessment
and
Governance

Tree
Plantation and
Green Zone
Development

Habitat
Protection and
Landscaping

Sustainable Procurement

Know?

By embedding biodiversity into procurement, we are promoting sustainable raw material harvesting methods that reduce deforestation and monoculture risks.

KPI

Trees Planted

% of landscaping using native species

FY 2025 Performance

2500 Trees planted

9%

Actions – Key Initiatives for Biodiversity Conservation

Biodiversity Assessment and Governance

We adhere to the evolving principles of the Taskforce on Nature-related Financial Disclosures (TNFD) to assess and manage our potential impacts and dependencies on biodiversity. This framework enables us to identify ecological risks and integrate nature-related considerations into our decision-making process.

As part of our site selection and environmental assessment protocols, we have confirmed that all manufacturing and R&D sites are situated outside designated ecological protection zones, such as national parks, wildlife sanctuaries, biosphere reserves and coastal regulation areas. This reduces our direct risk to critical habitats and reinforces responsible site planning.

Tree Plantation and Green Zone Development

We have committed to planting 20,000 trees by FY 2026 across our industrial campuses and surrounding community areas. These efforts are designed not only to increase green cover but also to foster urban biodiversity pockets

that provide shade, improve air quality, support pollinator species and enhance ecological resilience within industrial environments.

The plantation efforts prioritize native and site-appropriate species, ensuring better adaptability, lower water demand and sustained ecosystem benefits. In addition to ecological gains, these green zones also contribute to workforce well-being and improved site aesthetics.

Sustainable Procurement

Our procurement practices are evolving to reflect a stronger focus on biodiversity-conscious sourcing. We are incorporating environmental criteria into our supplier onboarding and material selection processes.

This approach encourages upstream accountability and promotes sustainable raw material harvesting methods, helping us reduce indirect biodiversity risks linked to deforestation, monoculture farming and habitat degradation.

Habitat Protection and Landscaping

All facilities incorporate biodiversitysensitive landscaping designed to minimize ecological disruption and improve site-level ecosystem health. Landscaping efforts emphasize the use of droughttolerant, indigenous plant species that require minimal irrigation and create habitats for pollinators, birds, and beneficial insects.

By avoiding invasive species and reducing reliance on chemical treatments, we aim to restore a more natural landscape interface between our built infrastructure and the local environment supporting both biodiversity and water conservation goals.

Human Capital at Ajanta Pharma

Our people are at the heart of our purpose improving lives through responsible pharmaceutical innovation. As we expand across geographies and therapeutic categories, our human capital strategy is focused on building a future-ready, inclusive and resilient workforce. This section outlines our comprehensive approach to attracting, developing, engaging and retaining talent through structured systems, performance alignment and employee-first practices that drive long-term value.

Talent Acquisition

In FY 2025, we reoriented our talent acquisition approach to ensure inclusivity, strategic capability alignment and readiness for growth. Our hiring framework is informed by our competency model, diversity goals and business transformation agenda.

75%

of diverse hires (excluding field staff)



Key Focus Areas

Position Database Consolidation

Streamlining and standardizing job roles to enable structured hiring and strategic workforce planning.

Compensation Benchmarking

Ensuring external market competitiveness and internal fairness through data-driven salary frameworks.

DEI and Equity-Focused Hiring

Proactively expanding talent pipelines to include underrepresented groups through inclusive sourcing and unbiased selection.

Competency-Based Selection

Implementing structured assessments aligned with functional and behavioral competencies for quality hiring outcomes.

Competency-Driven Recruitment

The rollout of a structured competency framework transformed recruitment into a role-specific evaluation process, enhancing hiring predictability and long-term fitment.

Diversity, Equity and Inclusion (DEI)

Ajanta Pharma is advancing workplace diversity by embedding equity into hiring, advancement and retention practices. We are focused on increasing female workforce participation and enabling accessible career pathways for all employees.

7%

women in total workforce

14%

women (excluding field force)

24

differently-abled employees hired

Key Programs

Bias-free hiring protocols and structured evaluation mechanisms

Role-wise DEI representation targets

Strategic partnerships for differently-abled hiring, including with Speshally NHS

Speshally NHS Partnership

Our partnership with Speshally NHS has enabled the inclusion of differentlyabled employees, demonstrating our intent to build a workforce reflective of broader societal diversity



Human Capital at Ajanta Pharma

Performance Management & Career Development

Our performance management system reinforces a meritocratic culture while facilitating capability growth and leadership development. Our Annual Performance Review (APR) platform ensures transparent, competency-based evaluation aligned with business priorities.

Key Programs

Digital goal setting and selfassessment against KRAs Competency and valuebased evaluation rubrics

Internal promotions driven by structured frameworks such as Centre for Excellence (CFE)

Field Force Growth

Through a transparent and structured review process, 66 promotions were facilitated in FY 2025 within the field force, including 45 from SO to DM and 15 from DM to RSM.



Learning & Development (L&D)

Our L&D approach has transitioned to a competency-aligned model supporting enterprise-wide learning, leadership growth, and regulatory compliance. Training is structured into learning journeys aligned with functional and behavioural needs.

52%

employees covered by structured learning

Key Programs

Competency Framework cocreated with EY

"Kaushal" Leadership Development Series

Compliance, quality, and Alenabled digital skills training

Kaushal Leadership Track

Our Kaushal initiative prepared 47 high-potential leaders for larger responsibilities through immersive learning, simulations, and strategic dialogue.



Human Capital at Ajanta Pharma

Employee Welfare & Engagement

We foster a work culture where well-being is central to organizational resilience and employee retention. Our approach integrates physical health, emotional support and workplace recreation.

1000+

No. of wellness participants

135

No. of events conducted

Key Programs

Onsite physician availability and periodic health check-ups

Yoga, mental wellness, nutrition talks, and lifesupport training

Awareness sessions on cancer, cardiovascular health, and heatwave preparedness

Wellness Events Across Locations

Employee participation in wellness programs surpassed 1,000 across HO and manufacturing sites, with 195+ employees joining yoga sessions and 221+ completing health checks.

Compensation, Benefits & Inclusion

Our total rewards framework blends performance-based incentives with inclusion-aligned benefits. Compensation reviews are supported by internal parity audits and market benchmarking to ensure equity and transparency.

57%

employees under performance-linked pay

100%

of women returning post-maternity

Key Programs

Salary benchmarking with Deloitte and internal equity audits

Inclusive benefits: flexible hours, subsidized food. transport, gym, creche

Gender-inclusive maternity policies and post-maternity support

Industry Benchmarking

Compensation correction exercises were conducted in Guwahati and Dahej units based on industry standards, ensuring pay equity and internal fairness.



Human Rights & Workplace Ethics

We are committed to safeguarding employee dignity and upholding ethical behavior across our operations. Our framework covers policy governance, grievance redressal, awareness training, and periodic reviews.

100%

of employees covered under POSH awareness

Nil

Total grievances reported

Human rights training programs (for employees & VCPs)

Key Programs

Grievance redressal mechanism integrated with POSH and human rights policy.

Human rights and ethical conduct training sessions such as May 7th awareness drive.

Equal Opportunity and Code of Conduct reinforced across the employee lifecycle.



Community Impact

Quality education

and digital

inclusion

Livelihood

vocational programs

creation through

Our social engagement framework is grounded in a simple idea: improving access to healthcare. We invest in local communities not as a peripheral responsibility, but as a direct extension of our role in healthcare. Our approach is outcome-driven, inclusive and closely aligned with national development goals and global standards such as the SDGs.

SDG Contribution



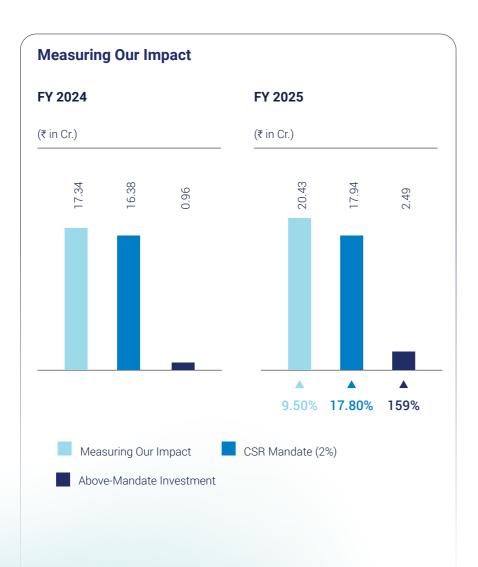
Preventive and specialized health outreach



Women's economic empowerment



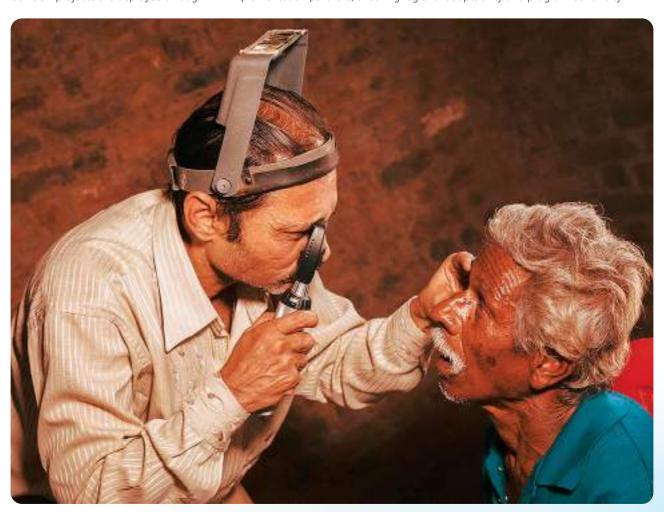
Reducing inequalities via access interventions



How We Operate

Implementation Network

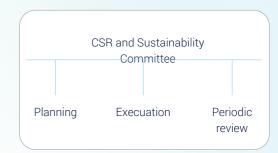
Our CSR projects are deployed through 14+ implementation partners, ensuring regional adaptability and program continuity.



Compliance Adherence

Our CSR programs follow the mandates of Section 135 of the Companies Act, GRI 413 and NGRBC, with internal audits and partner assessments ensuring consistency.

Governance



Community **Impact**

Our Guiding Principle

Principle 1 **Community-centric**

What It Means

Programs are based on needs identified directly from the community through participatory

Example in Action

Health screening and cataract operations in tribal and rural regions shaped by local assessments.

Principle 2 **Sustainability**

What It Means

Focus on long-term outcomes, building community ownership and reducing dependency.

Example in Action

Skill development courses that lead to self-employment and income generation for women.

Principle 3 **Partnership**

What It Means

Implemented through credible local partners who understand cultural and operational nuances.

Example in Action

With various educational institutions and trusts for building education infrastructure and extending financial aid to deserving students.

Principle 4 **Inclusive Growth**

What It Means

Special focus on reaching underserved populations, women, elderly, children, sportspersons and economically weaker sections.

Example in Action

Various community and rural welfare programs for uplifting the weaker section and underprivileged communities.

Principle 5

Measurement & Accountability

What It Means

Built-in monitoring systems track outcomes and enable course correction.

Example in Action

Quarterly progress reviews and databacked impact indicators across healthcare and education.



Key Initiatives

Health Screening & Preventive Camps

What is it about?

Free medical camps offering early diagnosis of cataract, hypertension and other chronic conditions, especially for underserved and remote communities. These camps improve access to primary care and preventive treatment.

Key actions taken

- 1,200+ individuals screened for cataracts and general health issues
- Specialist outreach including dermatology and maternal care
- Partnered with Samta Foundation for implementation

Impact

58,592

cataract cases referred for surgery

500 +

spectacles provided

Near 100%

institutional deliveries in targeted regions

to prison inmates

Malnutrition Eradication Program

What is it about?

Targeted nutrition interventions for pregnant women and young children in tribal and rural geographies to combat undernutrition. The program combines dietary support with health awareness and tracking.

Key actions taken

- Distribution of nutrition kits in highrisk geographies
- Regular health check-ups and awareness sessions

Impact

1,11,966

Mother & Child registration

Community Impact

Vocational Skill Training (fashion design & tailoring)

What is it about?

Skill-building programs focused on tailoring, fashion design, and technical trades, primarily for women. These programs aim to enhance livelihood opportunities and drive income generation at the grassroots.

Key actions taken

- Courses in tailoring, fashion design and technical skills
- Post-training market linkage and entrepreneurship sessions

Impact

67

₹5,000−₹15,000

participants trained (95% women)

Monthly income for beneficiaries

Computer Literacy & Education Infrastructure

What is it about?

Improving access to digital education by equipping rural schools with computer labs and trained instructors. The initiative supports long-term learning outcomes and digital inclusion for school-age children.

Key actions taken

- Setup of computer labs in schools
- Provision of trained instructors and digital content

Impact

2 lakh+

students benefitted from digital education programs

Prisoner Welfare Program

What is it about?

Comprehensive support for prison inmates, including health services, legal aid, and access to government schemes. It aims to improve well-being and facilitate reintegration of reformed inmates into society.

Key actions taken

- Eye and skin disease camps in 45 prisons
- Support for Ayushman Bharat enrolment
- Bail facilitation for reintegration

Impact

1,242

146

28

inmates provided medical care

inmates enrolled in health insurance

inmates received bail assistance

Support to Olympic Gold Quest (OGQ)

What is it about?

Sponsoring the development of Olympic-level Indian athletes by supporting the Olympic Gold Quest Foundation. The initiative funds training, equipment and expert coaching for under-resourced talent.

Key actions taken

- Funding and logistical support to OGQ Foundation
- Focus on under-resourced sports talent

Impact

300+

athletes supported



Responsible **Business Conduct**

Core Focus Areas

R&D and Clinical Practices

Compliance with national and international guidelines; safety and efficacy monitored.

Marketing & Distribution

Transparent, accurate, and consumer-safe communication.

Manufacturing

Follows cGMP, aseptic protocols, and quality management systems

Post-Market Surveillance

Product complaints are tracked; resolution monitored.

Product Quality and Safety

We adhere to stringent quality standards and regulatory norms throughout our manufacturing and distribution processes. Every product undergoes a multi-stage quality review, from sourcing raw materials to finished formulation. Our Good Manufacturing Practices (GMP) are designed to minimize variability, ensure efficacy, and enhance patient safety.

99.20%

Annual batch testing success rate

Global Regulatory Approvals held:

Over 20 approvals across America,

Manufacturing Sites with GMP Certifications:

All six pharmaceutical formulation facilities maintain compliance with Indian and global GMP standards, with two sites holding stringent certifications from the USFDA and WHO (Geneva). The sole API manufacturing facility is certified to Indian GMP (Schedule M) standards by CDSCO.

Manufacturing Sites with GMP Certifications:

We follow established ethical norms for marketing with clear guidelines for interactions with healthcare professionals. Our marketing content and campaigns are designed to be informative, compliant, and non-promotional in nature when addressing prescription products.

- Channels used for education: Direct medical outreach, digital platforms, product information sessions.
- Internal review process for communication materials: In place and monitored regularly.

Customer Satisfaction and Feedback Systems:

We closely engage with doctors, pharmacists, and institutions to gather structured feedback on product performance and user experience. This feedback loop helps us refine our formulations, improve delivery mechanisms, and resolve issues promptly.

- All customer complaints are resolved promptly.
- Quick and satisfactory reservation of customer complaints.





Product Lifecycle Management

Sustainability is being gradually embedded into the lifecycle of our products from development to disposal. This includes conscious formulation choices, improved packaging standards and alignment with environmental benchmarks. Newer innovations focus on enhancing therapeutic impact with minimal ecological footprint.



Intellectual Property Protection

We maintain strict controls to safeguard our proprietary research and ensure compliance with global IP regulations. IP integrity is a critical component of our responsible innovation strategy.



Pharmacovigilance Systems

Robust post-market surveillance is a cornerstone of our quality assurance. aligned with global standards and drug safety after launch. No adverse event has occurred after launch



Fair Pricing Practices

Our pricing philosophy is guided by a balance between commercial viability and patient affordability. In high-need markets, we offer tiered pricing and collaborate with government programs to expand reach.



Innovation for Sustainability

Our R&D focus is not only on therapeutic efficacy but also on formulation innovations that improve compliance and reduce waste. Multi-delivery formats, extendedrelease technologies and green chemistry adoption are central to our innovation roadmap.



Eco-friendly packaging initiatives implemented

8

First-to-market launches in FY 2025 30+

Countries with affordability-based

for environmental

50+

Asia, Africa, and emerging markets.

Ethical Business Practices

We maintain a zero-tolerance stance against unethical and unlawful business conduct through its Business Ethics Policy and Code of Conduct. The policy explicitly prohibits all forms of bribery, corruption and improper payments across its operations. It is applicable to all individuals associated with the Company including employees, officers, directors and third-party representatives.

Scope of the Focus Area

Ethical conduct forms the foundation of how we operate across geographies and business functions. This focus area governs our approach to upholding integrity, transparency and accountability through defined governance systems, regulatory compliance and robust internal controls. It spans employee behavior, supply chain responsibility, marketing ethics and customer engagement embedding ethical decision-making throughout the business.

Why It Matters?

Pharmaceuticals is a trust-driven industry and ethical practices are central to ensuring public confidence in our products, processes and policies. A transparent and compliant business framework not only mitigates reputational and operational risks but also strengthens our stakeholder relationships. As we scale our global footprint, embedding responsible conduct becomes crucial for regulatory alignment, data privacy, patient safety and workforce well-being.



Theme	Description	Impact Details
	<u> </u>	<u> </u>
Code of Conduct and Ethics	 All Directors and Senior Management adhere to our code of conduct. 	100%
	 The Code is available on the website and addresses bribery, conflict of interest and ethical behavior. 	of Senior Management covered
	 Annual affirmations are secured from all covered personnel. 	under Code of Conduct

Anti-Bribery & Corruption

We maintain a zero-tolerance stance on bribery and corruption.

Through our

- Anti-corruption policy
- Third-Party code of conduct
- No-Gift policy
- HR policy on misconduct

O

Number of bribery/ corruption-related incidents

Description

Regulatory Compliance and Whistle-blower Mechanism

Theme

A digital compliance tool enables monitoring of internal obligations, mapped to responsible functions with quarterly reporting to the Board. Our Whistle-Blower mechanism provides secure, anonymous channels to report unethical conduct.

0/0

Impact Details

Whistle-blower complaints received/ resolved

100%

of locations with whistleblower access

POSH Compliance

Dedicated POSH Committees function across sites, in line with legal mandates. Internal Complaints Committees (ICCs) investigate complaints with structured redressal protocols. Ajanta also runs periodic awareness sessions and employee forums such as Talk with MD, reinforcing cultural integrity and ethical transparency.

0

cases reported in FY 2025

Data Privacy and Cybersecurity

We follow a comprehensive cybersecurity policy, incorporating

- Network protection, firewalls, antivirus systems
- Employee awareness sessions
- A Disaster Recovery Plan (DRP) for data continuity

0

data breaches

100%

compliance with applicable data privacy laws

Ethical Supply Chain and Vendor Conduct

All service providers must comply with our Third-Party Code of Conduct, covering anti-bribery, ethical sourcing and human rights adherence.

2

training programs were conducted for vendors and contract on ESG.

Responsible Marketing and Transparency

We promote ethical marketing aligned with industry standards and public health priorities.

Product communications emphasize transparency, pharmacovigilance, and consumer awareness, avoiding misleading claims or exploitative messaging.

Regulatory actions for non-compliance

100%

Customer complaint resolution rate

Supply Chain Excellence

Ajanta Pharma supply chain is built on the principles of reliability, integrity and sustainability. Through strong partnerships and adhering to rigorous quality and ethical standards, we ensure consistent product availability. With a supply reliability of over 95%, we are recognised for our quality and dependability across global markets.

63%

Suppliers meeting eligibility criteria assessed on ESG parameters

906 Cr.

Total procurement spends for the year

100+

suppliers included in capacity building programme through various sessions such ESG awareness training, EPR training for Packaging material vendors, adherence to sustainability practices and protecting human rights. Additionally, the top 10 suppliers are rated on their performance contributing to key pillars in supply chain, each quarter & necessary discussion/training is done in accord to their performance.

Supply Chain Continuity and Sustainability

Our product sustainability policy focuses on securing consistent product flow by anticipating risks and acting timely. We work with selected suppliers who meet defined benchmarks for quality and compliance. This approach helps us respond quickly to market demand, avoid bottlenecks and maintain a high standard of service across all operating regions.

Quality Standards

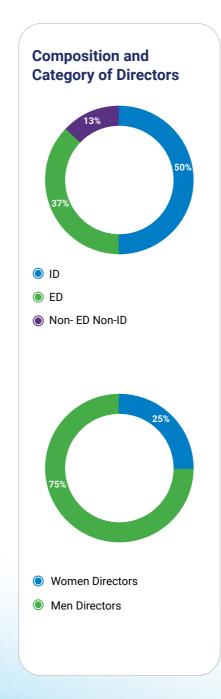
We partner with suppliers who uphold rigorous quality standards and maintain strict control over the supply chain. By ensuring compliance with global guidelines such as US FDA and WHO cGMP, we deliver high-quality products. Regular audits of partner facilities and thorough testing of materials before release ensure the integrity and reliability of our products.

Advancing Sustainable Sourcing

We select suppliers based on their ESG performance criteria alongside quality compliance. We monitor their practices through audits and data reviews to ensure adherence to sustainability targets. This enables us to reduce environmental impact, manage risks effectively and maintain a dependable supply chain.



Board's Profile



Board Competence, Expertise and Skills



Board Meetings

The Board met four times during the year under review. In addition, a separate meeting of the Independent Directors was convened in accordance with regulatory requirements.

Board and Directors' Evaluation

In accordance with the "Policy on Board Evaluation" and aligned with best governance practices, the Board conducted a formal annual evaluation of its own performance, that of its committees, and individual Directors. In a separate meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole, and that of the Chairman. A consolidated feedback report was shared with the Chairman for further deliberation with the Board and individual Directors.

Succession Planning

Company's Succession planning objective is to put in place well-structured

succession plan to insulate the Company and business operations from any severe adverse impact due to expected/unexpected changes in Board and senior management.

The Board is evenly comprised of executive and Independent Directors (IDs) as well as Woman Directors in order to meet the statutory requirements as also to support Company's ambitious growth plan.

Board of Directors Training and Awareness

During the reporting year, training and awareness programmes were conducted specifically for the Board of Directors, covering all nine principles (P1 to P9) of the Business Responsibility and Sustainability Reporting (BRSR) framework. These sessions aimed to enhance understanding of key ESG topics and their impact on business strategy, compliance and stakeholder expectations. 100% of the Board members participated in these programmes, reflecting strong governance oversight and commitment to sustainable business conduct.

Governance at Ajanta Pharma

We see governance as a fundamental pillar and not just regulatory requirement that shapes our decision-making, strengthens stakeholder trust, and safeguards long-term value creation. Our governance approach is driven by transparency, ethical conduct and responsible leadership, ensuring that all actions and strategies align with the interests of our stakeholders and regulatory expectations.

We are guided by the 4 principles across all levels of the organization from our Board of Directors to operational leadership. These principles ensure consistency, compliance and long-term business resilience in a dynamic operating environment.

Enterprise Risk Management (ERM) Framework

Our Enterprise Risk Management (ERM) framework enables us to systematically monitor, assess, and mitigate risks that could affect business continuity, stakeholder trust and regulatory compliance. This framework is embedded across operational levels and is integrated into strategic planning and decision-making processes.

Principles of Governance













Internal Controls and Financial Governance

The Internal Financial Controls (IFC) system complies with the Companies Act, 2013 and is aligned with globally accepted risk-based frameworks. Oversight is maintained by a specialised internal audit team supported by independent external firms, ensuring both rigour and objectivity.



Governance at Ajanta Pharma

The Internal Audit (IA) function operates independently, reporting to the Chairperson of the Audit Committee via the Chief Financial Officer. The annual audit plan is derived from a comprehensive Audit Universe that covers:



Key business functions



Operational and financial risks



Compliance areas and control maturity

Code of Conduct and Ethical Governance

We uphold a culture of integrity, fairness and accountability through a clearly articulated Code of Conduct applicable to all Board members and Senior Management Personnel. This code forms the ethical cornerstone of our corporate governance framework,

ensuring that every leadership decision is guided by transparency, responsibility, and regulatory compliance.

The Code outlines expectations on professional conduct, conflict of interest management, confidentiality and adherence to applicable laws and regulations. It is publicly available Wat Ajanta Pharma Code of Conduct, reinforcing our commitment to open disclosure and stakeholder trust.

For the financial year ending March 31, 2025, all Board members and Senior Management Personnel confirmed compliance with the Code. A formal declaration by the Managing Director affirming this adherence is annexed to the Annual Report.



Yogesh M. Agrawal

Managing Director

C C

Medha Joshi

Independent Director

Board of Directors

Mannalal B. Agrawal Chairman





Rajesh M. Agrawal Joint Managing Director





Rajesh Dalal Independent Director





- NRC: Nomination and Remuneration Committee
- SRC: Stakeholders Relationship Committee

Madhusudan B. Agrawal





David Rasquinha Independent Director



Simi Thapar Independent Director







EC: Executive Committee

C Chairman

Awards & Recognitions



Ajanta presented with 'One Decade Excellence in CSR' Award by Shri Ramesh Bais and Mr. Kailash Satyarthi



Maharashtra CM presented Ajanta with **Outstanding Efforts in Promoting Environmental Consciousness Award**



Ajanta's Pithampur facility presented with **Environmental Excellence Award by Government of** Madhya Pradesh

Environmental





CMIA Environmental Consciousness





Guwahati & Pithampur facilities: ISO 14001 & ISO 45001 (EHS Excellence) certified

Social





'Excellence in Employee Engagement Award' at The Future of L&D Conference and Awards



Great Place To Work®-Certified™ in India for the 3rd year in a row



Ajanta's Guwahati Facility presented with 'Best Labour Law Compliant Establishment' by Government of Assam

Governance





'Excellence in Pharma Research & Development Award' at the World HRD Congress



Pharma Supply Chain Award for 'Best-in-Class Inventory Planning'

Summary of Ajanta Pharma's GRI Report (FY 2024–25)

Ajanta Pharma Limited is pleased to present its inaugural Global Reporting Initiative (GRI) Report for the financial year 2024–25, prepared in reference to the GRI Standards 2021. The report reflects the Company's ongoing commitment to responsible growth, transparent disclosures, and alignment with global sustainability practices.

The GRI Report highlights Ajanta Pharma's performance across the three key pillars of sustainability Environmental Stewardship, Social Responsibility, and Strong Governance and captures the material topics most relevant to stakeholders. A robust materiality assessment, involving over 120 stakeholders across nine categories, guided the identification of these focus areas.

Key Highlights



Environmental Responsibility:

- Installed 12.6 MW of solar capacity, representing 34% of current usage.
- Achieved Zero Liquid Discharge at all plants and Zero Hazardous Waste Discharge at three pites.
- Over 93% of waste recycled and more than 40,000 liters of water harvested.



Social Commitment:

- Ensured ISO 45001:2018 certification at four major facilities, with all employees covered under health and accident insurance.
- Spent 48,000+ training hours on skill enhancement and health & safety.
- Achieved the "Great Place to Work" recognition for the third consecutive year.



Governance Practices:

- Established a three-tier ESG governance structure involving the Board, the CSR & Sustainability Committee, and the Sustainability Council.
- Maintained zero material non-compliances and zero corruption or anti-competitive incidents during the reporting year.
- 50% of the Board comprises independent directors, reinforcing objectivity and accountability.



Accessibility of the GRI Report

Ajanta Pharma's full GRI Report for FY 2024–25 is available on the Company's official website and can be accessed by stakeholders for more detailed review and understanding of our sustainability practices.



(CIN No. L24230MH1979PLC022059)

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